

NYS Urban Development Corporation Directors' Meeting

Thursday, 1/19/2023

9:30 - 11:30 AM ET

I. Corporate Action

A. Approval of the Minutes of the December 15, 2022 Directors' Meeting

I. A. - 121522 Draft ESD Minutes - Page 4

Oral Reports

A. President's Report

B. Spotlight Presentation – Overview of Buffalo and Western New York Regional Projects

II. Projects

A. Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Innovation Square Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

II. A. - Innovation Square Capital FINAL - Page 39

II. A. - Innovation Square Capital Photographs - Page 48

B. Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant)

Findings and Determinations Pursuant to Sections 16(m) and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

II. B. - East Coast Nitrogen Capital FINAL - Page 50

C. New York (New York City Region – New York County) – The David Geffen Hall Renovation Capital – New York Works Economic Development Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

II. C. - The David Geffen Hall Renovation Capital FINAL - Page 63

II. C. - The David Geffen Hall Renovation Capital Photographs - Page 77

III. At The Direction Of Projects

A. ATDO (At the Direction Of) Projects

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

Capital Assistance Program for Technology Infrastructure and Development (Senate)

A. Boys & Girls Club of Schenectady Capital – Boys and Girls Club of Schenectady, Inc. (Schenectady County) - \$1,000,000

World University Games Miscellaneous – All State Departments and Agencies

(Executive)

A. 2023 Winter University Games 5-Year Implementation Plan Phase II Capital - Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council (Essex County) - \$2,000,000

III. A. - ATDO (At The Direction Of) Projects FINAL - Page 79

III. A. - Attachment A - Prior Approvals - World University Games ATDO (At The Direction Of) Projects - Page 101

III. A. - Attachment B - Appendix - World University Games ATDO (At The Direction Of) Projects - Page 137

IV. Empire State New Market Corporation

A. Batavia (Finger Lakes Region – Genesee County) – GLOW YMCA, Inc. – New Markets Tax Credit Sub-Allocation

Findings and Determinations Pursuant to Sections 12 and 10(g) of the New York State Urban Development Corporation Act, as Amended (the “Act”), to Prioritize and Approve the Project, Adopt the Empire State New Market Corporation (“ESNMC”) General Project Plan (“GPP”), Make a Determination of No Significant Effect on the Environment, and Take Related Actions

IV. A. - ESNMC - GLOW YMCA FINAL - Page 140

IV. A. - Attachment - 12 20 22 ESNMC Directors' Materials - GLOW YMCA - Page 148

V. Administrative Actions

A. Statewide – Electric Generation Facility Cessation Mitigation Program

Authorization to Make Statutory Payments and to Take Related Actions

V. A. - EGFCMP - Chautauqua County - City Dunkirk FINAL - Page 162

B. Land Bank Program

Approval of Land Bank Application and Authorization to Take All Related Actions

V. B. - Land Bank Application FINAL - Page 169

C. Procurement of Consultant Services to Conduct a Personal Net Worth Study and Workforce Disparity Study

Authorization to Enter into a Contract Amendment With Mason Tillman Associates, Ltd. for Consultant Services and to Take Related Actions

V. C. - Mason Tillman Contract Amendment (PNW and Workforce Diversity Study) FINAL - Page 172

D. Procurement of Legal Services – Statewide

Authorization to Enter into a Contract to Provide Legal Services in Connection With the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

V. D. - Procurement of Legal Services - SSBCI Matters (Nixon Peabody) FINAL - Page 176

E. Procurement of Legal Services – Statewide

Authorization to Enter into a Contract to Provide Legal Services in Connection With the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

V. E. - Procurement of Legal Services - SSBCI Matters (Reitler Kailas Rosenblatt) FINAL - Page 181

F. New York City (Kings County) – Contract Amendment for Real Estate Counsel Retained for the Brooklyn Developmental Center Mixed Use Project

Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Schoeman Updike Kaufman & Gerber LLP for Real Estate Legal Services and Authorization to Take Related Actions

V. F. - Contract Amendement - Schoeman Updike Kaufman & Gerber FINAL - Page 186

G. New York City (Kings County) – Contract Amendment for Environmental Counsel Retained for the Brooklyn Developmental Center Mixed Use Project

Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Sive, Paget & Riesel, PC for Environmental Legal Services and Authorization to Take Related Actions

V. G. - Contract Amendment - Sive Paget & Riesel FINAL - Page 191

H. Contract for Marketing and Promotion Services of the New York State Dairy Industry Through Cornell University on Behalf of New York Agriculture in the Classroom

Authorization to Enter into a Contract for Marketing and Promotion Services of the New York State Dairy Industry Relating to the Market Order Program and Authorization to Take Related Actions

V. H. - Market Order Program - Cornell University FINAL - Page 196

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development
Meeting of the Directors
633 Third Avenue
37th Floor Conference Room
New York, New York 10017

With Video Conferencing To:

Empire State Development – Albany Offices
625 Broadway – 8th Floor Conference Room
Albany, New York 12242

December 15, 2022

MINUTES

In Attendance

Directors:

Kevin S. Law, Chair
Hope Knight – Via Video Conference
Benson V. Martin – Designee - Superintendent - NYS Department
of Financial Services
Michael K. Rozen
John Wang

Present for ESD:

Matthew Bray, Treasurer
Silvia Codony, Senior Director – New York Ventures
Jerome DuVal, Executive Vice President, Minority & Women’s Business
Development
James Fayle, Regional Director – Central New York Region
Richard Gagliano, Senior Vice President – Marketing
Felisa Hochheiser, Director of Compliance
Stephen Hunt, Regional Director – North Country Region
Douglas Janese, Senior Counsel
Cara Longworth, Regional Director – Long Island Region
Elizabeth Lusskin, Executive Vice President – Small Business & Technology
Development
Maria Mitchell, Senior Vice President – Life Sciences
Raymond Orlando, Chief Financial Officer
Noah Rayman, Chief of Staff
Michael Reese, Regional Director – Mohawk Region
Debbie Royce, Corporate Secretary
Arden Sokolow, Executive Vice President – Real Estate Development
and Planning
Robert Sweet, Regional Director – Southern Tier Region

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Paul Tronolone, Vice President – Planning and Policy, WNY
Goldie Weixel, Deputy General Counsel
Faith WestGorman, Senior Director of Special Events – Marketing
Department
Kevin Younis, Chief Operating Officer

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 9:35 a.m. by Chair Law.

Chair Law noted that the meeting was being webcast and reminded everyone on the telephone to please mute their phones until they are speaking.

Chair Law then noted that the public had been given an opportunity to comment on the Agenda items by submitting their written comments by 4:30 p.m. yesterday and that no comments were received.

Chair Law advised that the Directors were given the written materials in advance of today’s meeting and were free to ask questions at any time during the presentations.

Chair Law then asked the Directors whether anyone had any conflicts of interest to note on any of the Agenda items. No conflicts were noted.

The Chair then called for a motion to approve the Minutes of the November 17, 2022 Directors’ Meeting. There being no changes or corrections, upon motion duly made and

seconded, the following Resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE NOVEMBER 17,
2022 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT
CORPORATION

RESOLVED, that the Minutes of the meetings of the Corporation held on November 17, 2022, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Chair Law then called on Hope Knight, ESD's President and CEO, to provide the President's Report on the Corporation's most recent activities.

Next, the Chair called on Paul Tronolone, Vice President of Planning and Policy from ESD's Western New York Region, to present the next four items on the Agenda for the Directors' consideration.

The first item Mr. Tronolone presented involved a Downtown Revitalization Initiative grant in the amount of \$2 million to Manny Hanny Lender, Inc., a wholly owned subsidiary of the Savarino Companies, a Buffalo development company.

Mr. Tronolone explained that the grant will be used to reimburse a portion of the cost to rehabilitate the former Manufacturer Hanover Building in downtown Olean and includes converting the building into a mixed-use complex consisting of 21 mixed-income apartments and 12,000 square-feet of commercial space.

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Mr. Tronolone noted that this project marks a significant milestone for the City of Olean's "Walkable Olean" efforts which began in 2001.

Following the full presentation, the Chair called for any questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Olean (Western New York Region – Cattaraugus County) – Manufacturers Hanover Building – Downtown Revitalization Initiative (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Manufacturers Hanover Building - Downtown Revitalization Initiative (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to the Manny Hanny Lender Inc. a grant for a total amount not to exceed Two Million Dollars (\$2,000,000) from the Downtown Revitalization Initiative Capital Fund for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of

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the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The second item Mr. Tronolone presented involved a Regional Council Capital Fund grant in the amount of \$500,000 to the City of Buffalo to be used to fund a portion of the streetscape improvements to segments of three streets in the City's downtown entertainment district.

Mr. Tronolone explained that the project involves new sidewalks, lighting, crosswalks, and street paving on Franklin Street, Chippewa Street and Court Street.

Following the full presentation, the Chair noted exciting things were happening in Buffalo that it's great to be a part of and then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

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Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – City of Buffalo Entertainment District Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the – City of Buffalo Entertainment District Infrastructure Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to City of Buffalo a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion

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consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – City of Buffalo Entertainment District Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the City of Buffalo Entertainment District Infrastructure Capital, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

The third item Mr. Tronolone presented involved Capital Assistance Program for Technology, Infrastructure, and Economic Development and Market New York Regional Council Capital Fund grants in the total amount of \$923,000 to the not-for-profit Historic Palace, Inc. to be used to fund a portion of the restoration of key portions of the Historic Palace Theater in downtown Lockport.

Mr. Tronolone explained that the work represents the last of five phases of restoration that began in 2018 enabling the theater to host larger, more technically complicated productions to enhance Lockport's reputation as a regional tourist destination.

Mr. Tronolone noted that \$423,000 of the grant came from the Regional Economic Council's Round 6 - Market New York Capital Fund, \$500,000 came from a 2018-2019 State budget allocation from the Capital Assistance Program for Technology, Infrastructure and Economic Development and the balance came from an extensive local fundraising program for the theater.

DRAFT - SUBJECT TO REVIEW AND REVISION

Following the full presentation and after receiving confirming that the Directors were being asked to approve both a Regional Economic Council and a 2018-2019 Budget allocation grant, the Chair called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award –Priority Project – Lockport (Western New York Region – Niagara County) – Historic Palace Theater Capital – Capital Assistance Program for Technology, Infrastructure, and Economic Development and Market New York Regional Council Fund (Capital Grants) – Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Historic Palace Theater – Capital Assistance Program for Technology, Infrastructure, and Economic Development and Market New York Regional Council Capital Fund (Capital Grants) -- Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 10(g) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Historic Palace, Inc. a grant for a total amount not to exceed Nine Hundred and Twenty Three Thousand Dollars (\$923,000) from the Capital Assistance Program for Technology, Infrastructure, and Economic Development and Market New York Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

DRAFT - SUBJECT TO REVIEW AND REVISION

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The fourth item Mr. Tronolone presented involved a Buffalo Regional Innovation Cluster grant in the amount of \$1 million to Heart of the City Neighborhoods, Inc., a not-for-profit organization that administers housing and neighborhood development programs in the City of Buffalo. He stated that this grant to the local program administrator is for the second round of ESD's Commercial District Grant Program in the Kensington Valley business district in East Buffalo.

Mr. Tronolone explained that the program provides small business grants of up to \$100,000 for façade and business renovations in Kensington Valley business district.

Mr. Tronolone noted that in June 2022, the Directors authorized this grant to the not-for-profit entity that ran Round 1 of the Kensington Valley program. He advised because of personnel issues, ESD and its philanthropic partners decided to seek a new administrator, which is being authorized with this action.

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Following the full presentation the Chair noted that at a future meeting, Mr. Tronolone will provide a presentation on the overall economic development plan for Western New York and Buffalo. The Chair then called for any questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Buffalo (Western New York Region – Erie County) – East Side Commercial District Program (“ESCDP”) for Kensington Bailey Commercial District Phase II Capital – Buffalo Regional Innovation Cluster (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Kensington Bailey Commercial District Phase II Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Heart of the City Neighborhoods, Inc. a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to

DRAFT - SUBJECT TO REVIEW AND REVISION

the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Chair Law called on James Fayle, Regional Director of ESD's Central New York Region, to present the next two items on the Agenda for the Directors' consideration.

The first item Mr. Fayle presented involved a Regional Council Capital Fund grant in the amount of \$280,000 to ACCESS Global Enterprises to be used to fund a portion of the purchase of machinery and equipment. He stated the grantee will add an additional 50 new employees, of which they have already hired 15, to their current 15 employees.

Following the full presentation and after receiving confirmation that the Directors were only being asked to approve the \$280,000 grant, Chair Law then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Syracuse (Central New York Region – Onondaga County) – ACCESS Global Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the

DRAFT - SUBJECT TO REVIEW AND REVISION

Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the ACCESS Global Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to ACCESS Global Enterprises LLC a grant for a total amount not to exceed Two Hundred Eighty Thousand Dollars (\$280,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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The second project Mr. Fayle presented involved a Regional Council Capital Fund grant in the amount of \$600,000 to Marathon Boat Group, Inc., a privately-owned company that produces canoes and boats.

Mr. Fayle explained that the grant will be used to fund a portion of the purchase of new machinery and equipment which will further a new production line. He stated this will allow the company to retain its current 17 employees and add an additional 34 new employees.

Following the full presentation, Chair Law inquired as to where the boats are sold and for confirmation that 17 jobs will be retained. Mr. Fayle advised they were sold mostly throughout the northeast and confirmed that 17 jobs were being retained. Chair Law then called for any further questions or comments from the Directors regarding. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Marathon (Central New York Region – Cortland County) – Marathon Boat Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Marathon Boat Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to

DRAFT - SUBJECT TO REVIEW AND REVISION

this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Marathon Boat Group, Inc. a grant for a total amount not to exceed six hundred thousand Dollars (\$600,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Stephen Hunt, Regional Director of ESD's North Country Region, to present the next two items on the Agenda for the Directors' consideration.

The first item Mr. Hunt presented involved a Regional Council Capital Fund grant in the amount of \$700,000 to ERS Investors, Inc. to be used to fund a portion of the construction and renovation of buildings in the former Pfizer manufacturing plant campus in Rouses Point.

DRAFT - SUBJECT TO REVIEW AND REVISION

Mr. Hunt explained that the grantee has sought to re-purpose 234,000 square-feet of space at this site to provide capital improvements and initiate an infrastructure build-out for a future industrial park to draw a diverse inventory of businesses back to the area.

Mr. Hunt noted that the first tenant is occupying 30,000 square-feet of space and has 13 employees and a second tenant was recently secured. ERS is looking for tenants to lease the remainder of the space for warehousing, light manufacturing, and data storage.

Following the full presentation, Chair Law called for any questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Priority Project – (North Country Region – Clinton County) – ERS Investors, Former Pfizer Plant Redevelopment Rouses Point Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the ERS Investors, Former Pfizer Plant Redevelopment Rouses Point -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

DRAFT - SUBJECT TO REVIEW AND REVISION

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to ERS Investors Inc a grant for a total amount not to exceed Seven Hundred Thousand Dollars (\$700,000) from the Regional Council Capital Fund - Round 9, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The second item Mr. Hunt presented involved a Regional Council Capital Fund grant in the amount of \$1.24 million to EZ Stak, LLC to be used to fund the purchase and renovation of a new facility in Watertown.

Mr. Hunt noted that EZ Stak is a privately owned international manufacturer of mobile workspace systems and it will retain 21 employees and hire an additional 15 employees in New York State.

DRAFT - SUBJECT TO REVIEW AND REVISION

Following the full presentation and after receiving confirmation that this was EZ Stak's only presence is in Upstate New York, Chair Law then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Priority Project – Watertown (North Country Region – Jefferson County) – EZ Stak - Watertown Plant Expansion Capital – Regional Council Capital Fund - (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the EZ Stak - Watertown Plant Expansion Capital - Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to EZ STAK LLC a grant for a total amount not to exceed One Million Two Hundred Forty Thousand Dollars (\$1,240,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make

DRAFT - SUBJECT TO REVIEW AND REVISION

such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Michael Reese, Regional Director of ESD's Mohawk Valley Region, to present the next item on the Agenda for the Directors' consideration.

Mr. Reese explained that the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$2.4 million to Fountainhead Group Inc., a leading innovator in liquid applicator technologies.

Mr. Reese further explained that the grant will be used to fund a portion of the cost of real estate, construction, renovations, the purchase of furniture and fixtures, infrastructure and site work, engineering, surveys, and closing fees.

Mr. Reese noted that the global company has locations in Illinois, Ohio and China and purchased 50 acres of land in the Herkimer County Business Park and built a new 200,000 square-foot facility to consolidate warehouse distribution into a single location which will also provide additional manufacturing space in its existing facility.

DRAFT - SUBJECT TO REVIEW AND REVISION

Mr. Reese further noted that the Company committed to retaining 187 full-time jobs and the project was completed in September 2022.

Following the full presentation, Chair Law commented that it was great the Company was expanding, growing and continuing to innovate. He then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Regional Council Award – Frankfort (Mohawk Valley Region – Herkimer County) – Fountainhead Expansion-New Distribution Center Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fountainhead Expansion-New Distribution Center -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to The Fountainhead Group Inc a grant for a total amount not to exceed Two Million Four Hundred Thousand Dollars (\$2,400,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting,

DRAFT - SUBJECT TO REVIEW AND REVISION

with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Regional Council Award – Frankfort (Mohawk Valley Region – Oneida County) – Fountainhead Expansion – New Distribution Center Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Fountainhead Expansion-New Distribution Center Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Before moving on to the next item, Director Knight shared that this was Mr. Reese's last Board Meeting noting he was retiring at the end of the month. She thanked him for his service to ESD and the State and wished him well on his retirement. Chairman Law echoed Director Knight's sentiments and following a round of applause, Mr. Reese stated it was a pleasure serving ESD and working with the Board to grow New York State's economy.

Chair Law then called on Robert Sweet, Regional Director of ESD's Southern Tier Region,

DRAFT - SUBJECT TO REVIEW AND REVISION

to present the next item on the Agenda for the Directors' consideration.

Mr. Sweet explained that the Directors were being asked to approve an Upstate Revitalization Initiative grant in the amount of \$1.5 million to Arnot Ogden Medical Center to be used to upgrade and expand its emergency room capabilities.

Mr. Sweet noted that this is the only emergency room in Chemung County and the investment will allow them to expand by 6,300 square-feet and provide more modern treatment and utilize equipment that will better serve the catchment area and its clients. He also noted that this project will retain 25 existing jobs.

Chair Law asked if the hospital was a standalone independent hospital or if it was part of a health system.

Mr. Sweet stated that it's part of the Arnot Health System that's comprised of three hospitals, The Arnot Ogden Medical Center, Saint Joseph's Hospital and the Ira Davenport Memorial Hospital.

Chair Law then asked if this was the only emergency room in the area and Mr. Sweet stated that it is the only emergency room in Chemung County.

Following the full presentation, Chair Law then called for any further questions or

DRAFT - SUBJECT TO REVIEW AND REVISION

comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Regional Council Award – Elmira (Southern Tier Region – Chemung County) – Arnot Ogden Medical Center Capital – Upstate Revitalization Initiative (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Arnot Ogden Medical Center Capital – Upstate Revitalization Initiative (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Arnot Ogden Medical Center a grant for a total amount not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000) from the Upstate Revitalization Initiative Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the

DRAFT - SUBJECT TO REVIEW AND REVISION

approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Regional Council Award – Elmira (Southern Tier Region – Chemung County) – Arnot Ogden Medical Center Capital – Upstate Revitalization Initiative - Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Arnot Ogden Medical Center Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Chair Law then called on Cara Longworth, Regional Director of the ESD's Long Island Region, to present the next item on the Agenda for the Directors' consideration.

Ms. Longworth explained that the Directors were being asked to approve a Regional Council Capital grant in the amount of \$500,000 to the Community Development Corporation of Long Island to fund a portion of the cost of the infrastructure upgrade to support the Wyandanch Resource Center located in Suffolk County.

Ms. Longworth further explained that the project is complete, and the Resource Center opened in May 2020. She noted the Center is located in and supports the Opportunity Agenda Area of Wyandanch, revitalizes downtown and provides workforce development resources to the community.

DRAFT - SUBJECT TO REVIEW AND REVISION

Ms. Longworth noted that the project includes a four-story residential building consisting of 124 affordable units which are all currently leased.

Following the full presentation, Chair Law called for any questions or comments from the Directors. Hearing none and noting that no comments were received from the public regarding this item, Chair Law stated he would recuse himself from the vote on this item. Upon motion duly made and seconded, the following Resolution was unanimously adopted:

Regional Council Award – Wyandanch (Long Island Region – Suffolk County) – Wyandanch Rising-Buildings Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to Wyandanch Rising-Buildings Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to the Community Development Corporation of Long Island a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds

DRAFT - SUBJECT TO REVIEW AND REVISION

and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Maria Mitchell, Senior Vice President of Life Sciences, then presented the next item on the Agenda relating to the Life Sciences Initiative Fund for the Directors' consideration.

Ms. Mitchell explained that the Directors were being asked to approve a New York First Grant of up to \$1 million for Columbia University. She stated the total cost of the project is \$3 million and Columbia University is contributing \$2 million.

Mr. Mitchell further explained that New York First is a \$15 million life science program launched in 2018 designed to encourage the recruitment of exceptional life science researchers from outside the State or the retention of researchers in-State who are focused on translational research.

Ms. Mitchell noted that these grants are provided for capital and working capital

DRAFT - SUBJECT TO REVIEW AND REVISION

expenditures supporting the newly recruited researchers' lab and Columbia University is using this fund to support the recruitment of Dr. Simon John from the Jackson Laboratory located in Bar Harbor, Maine.

Ms. Mitchell further noted that since the start of this grant, Columbia has hired 14 new employees and Dr. John has been awarded more than \$5.9 million in National Institute of Health ("NIH") grants and private funding to support his work.

Following the full presentation and after receiving confirmation that the grant helps attract NIH monies and staff, the Chair then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public on this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

New York City (New York City Region – New York County) – NYFIRST Columbia University Capital – Life Sciences Initiative Fund (Capital and Working Capital Grant) – Findings and Determinations Pursuant to Section 16-aa of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the NYFIRST Columbia University Capital – Life Science Initiative Fund (Capital and Working Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 16-aa of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that no families or individuals are to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with

DRAFT - SUBJECT TO REVIEW AND REVISION

such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to The Trustees of Columbia University in the City of New York a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Life Sciences Initiative Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Silvia Codony, Senior Director of New York Ventures, to present the next item on the Agenda for the Directors' consideration.

Ms. Codony explained that the Directors were being asked to approve an investment of up to \$1 million in a \$10 million Series A funding round to Kintra Fibers, Inc.

Ms. Codony noted that Kintra Fibers develops bio-based and compostable synthetic

fibers that will replace polyester, which is most commonly used in clothing and is based in fossil fuels.

Ms. Codony further noted that the proceeds from this financing will be used to expand the team to do several customers at pilot scale and to scale up manufacturing.

Chair Law asked if this company is still considered a start-up and Ms. Codony stated yes, because they've only produced some pilot pieces with fashion brands to see if they can produce their products.

Chair Law then asked if this is ESD's first investment with this company and Ms. Codony confirmed that it was and stated that ESD is co-investing.

Following the full presentation, the Chair then called for any further questions or comments from the Directors. Hearing none and noting that no comments were received from the public on this item, upon motion duly made and seconded, the following Resolution was unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - New York State Innovation Venture Capital Fund ("NYSIVCF") - Authorization of an Investment of NYSIVCF Funds in Kintra Fibers, Inc.

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the New York State Innovation Venture Capital Fund, the Corporation is authorized to make an investment, in an amount not to exceed \$1,000,000 in Kintra Fibers, Inc. (the "Company") and to enter into agreements and related documentation with the Company and the investment

DRAFT - SUBJECT TO REVIEW AND REVISION

entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation's investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Chair Law then called on Doug Janese to present the five Administrative Action items on the Agenda for the Directors' consideration.

The first item Mr. Janese presented involved the approval of an authorization to make two statutory payments and take related actions pursuant to the New York State Electric Generation Facility Cessation Mitigation Program for the Directors' consideration.

Mr. Janese explained that the first payment will go to the Kenmore Town of Tonawanda Union Free School District in the amount of \$562,650 due to the closure of the Huntley Electric Generating Facility in March 2016.

The second payment will go to the Barker Central School District in the amount of

DRAFT - SUBJECT TO REVIEW AND REVISION

\$2,174,148 due to the closure of the Somerset Electric Generating Facility in March 2020.

Mr. Janese noted that these payments will bring the total disbursements from this fund to approximately \$57 million of the \$140 million authorized for the program.

The second item Mr. Janese presented involved the authorization to enter into a contract with Carahsoft Technology Corporation to upgrade the version of the cloud platform that builds, delivers and optimizes ESD's various websites.

Mr. Janese noted that the term of the contract is one year and is in an amount not to exceed \$638,958.55 to be funded with Corporate Operating Funds.

The third and fourth items Mr. Janese presented involve contract amendments with Robert Cohn Associates, Inc. d/b/a CBRE-Albany, LLC who provide brokerage services in connection with the marketing and sale of 10 North Pearl Street located in Albany, New York.

Mr. Janese noted that these items are being presented again to the Directors because of a typographical error in the previously approved July 2022 amendment related to the name of the entity.

Mr. Janese further noted that the source of funds for CBRE's contract is the proceeds from the sale of 10 North Pearl Street.

DRAFT - SUBJECT TO REVIEW AND REVISION

The last item Mr. Janese presented involved a re-authorization to enter into a contract with corrected commencement completion dates for research and development of the New York State Apple Industry relating to the Apple Research and Development Program.

Mr. Janese explained that the Directors were being asked to re-approve the contract amendment which was approved in July 2022. He stated this was required because the previously approved materials stated the incorrect start and end dates of the contract. He noted the correct dates are April 1, 2022 through March 31, 2023.

The Chair then called for any questions or comments from the Directors regarding items V. A. through V. E. Hearing none, and noting that no comments were received from the public, upon motion duly made and seconded, the following Resolutions were unanimously adopted:

Statewide – New York State Electric Generation Facility Cessation Mitigation Program - Authorization to Make Statutory Payments and to Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Electric Generation Facility Cessation Mitigation Program ("the Program") payments identified below, the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized to make the payments as set forth below from the Electric Generation Facility Cessation Mitigation Program, for the purposes and substantially on the terms and conditions set forth in the Materials and the Program guidelines, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds:

DRAFT - SUBJECT TO REVIEW AND REVISION

Project #	Applicant	Facility	Closure Date	Revenue Loss	County	Proposed Payment Amount
AB360	Kenmore-Tonawanda School District	Huntley Power, LLC	March 1, 2016	92%	Erie	\$562,649.71
134,259	Barker Central School District	Somerset Operating Co., LLC	March 31, 2016	88%	Niagara	\$2,174,148.19

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of payments, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the payments as she or he may deem necessary or appropriate in the administration of the payments; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she or he may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

NEW YORK STATE URBAN DEVELOPMENT d/b/a EMPIRE STATE DEVELOPMENT - Acquia Cloud Platform for Building, Delivering, and Optimizing Websites - Authorization to Enter into a Contract with Carahsoft Technology Corporation; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Carahsoft Technology Corporation to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Carahsoft Technology Corporation in an amount not to exceed SIX HUNDRED THIRTY-EIGHT THOUSAND NINE HUNDRED AND FIFTY-EIGHT WITH FIFTY-FIVE CENTS (\$638,958.55) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

DRAFT - SUBJECT TO REVIEW AND REVISION

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Albany (Albany County) – 10 North Pearl Street Brokerage Services - Authorization on Behalf of UDC-Ten Eyck Development Corporation – II to Amend the Contract with Robert Cohn Associates, Inc d/b/a CBRE-Albany LLC to Continue to Provide Brokerage Services in Connection with the Marketing and Sale of 10 North Pearl Street, Albany, NY; and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Robert Cohn Associates, Inc d/b/a CBRE-Albany, LLC to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend a contract with Consultant for \$8,000 for a new contract amount not to exceed \$60,000 for brokerage services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Albany (Albany County) – 10 North Pearl Street Brokerage Services - Authorization on Behalf of UDC-Ten Eyck Development Corporation – II to Amend the Contract with Robert Cohn Associates, Inc d/b/a CBRE-Albany LLC to Continue to Provide Brokerage Services in Connection with the Marketing and Sale of 10 North Pearl Street, Albany, NY; and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Robert Cohn Associates, Inc d/b/a CBRE-Albany, LLC to be responsible;

DRAFT - SUBJECT TO REVIEW AND REVISION

and be it further

RESOLVED, that the Corporation is hereby authorized to amend a contract with Consultant for \$15,000 for a new contract amount not to exceed \$75,000 for brokerage services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Contract for Research and Development of the New York State Apple Industry Through Cornell University - Reauthorization to Enter into a Contract (with Corrected Commencement and Completion Dates) for Research and Development of the New York State Apple Industry Relating to the Apple Research and Development Program (Market Order); and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials") a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Cornell University to be responsible; and be It further

RESOLVED, that the Corporation is hereby reauthorized to enter into a contract with Cornell University for a total contract amount not to exceed Three Hundred and Sixty Three Thousand Five Hundred and Forty Two Dollars (\$363,542) for the purposes and services and substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer, or other officer of the Corporation, or his or her designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

DRAFT - SUBJECT TO REVIEW AND REVISION

The Chair then called on Faith WestGorman Senior Director of Special Events – Marketing Department to provide the “Spotlight Presentation” on the World University Games.

Following the presentation and noting there was no further business, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Regional Council Award – Priority Project – Rochester (Finger Lakes Region - Monroe County) – Innovation Square Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

ESD Directors' Summary

Innovation Partners ROC LLC (the “Grantee”) is an affiliate of Gallina Development Corporation formed in 2020 as a partnership for the redevelopment of the former Xerox Tower located at 100 South Clinton Avenue in downtown Rochester. The Grantee applied for funding through Round 11 of the Finger Lakes Regional Economic Development Council (“FLREDC”) Consolidated Funding Application process. Based on the FLREDC recommendation, Empire State Development (“ESD”) staff signed an Incentive Proposal with the Grantee in May 2021, agreeing to pay a portion of the costs to renovate a 30-story mixed use building in downtown Rochester with a grant award in the amount of \$2,000,000. This award was combined with an additional \$1,000,000 award granted to the previous owner of the building through Round 9 in December 2019 for a total grant amount of \$3,00,000. Innovation Partners ROC will contribute \$2,339,600 of its own equity into the project with a total project cost of \$11,698,000.

The Grantee has substantially completed the construction project as outlined in the agreed upon project scope, and therefore ESD is now recommending that the Board authorize the release of the project funds.

General Project PlanI. Project Summary

Grantee: Innovation Partners ROC LLC (“Innovation Partners ROC” or the “Company”)

ESD* Investment: A grant of up to \$3,000,000 to be used for a portion of the cost of construction and renovation

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 100 South Clinton Avenue, Rochester, Monroe County

Proposed Project: Conversion of the 30-story, 580,000 square-foot former Xerox office tower and attached campus buildings in the center of downtown Rochester to a mix of updated commercial, educational and residential space

Project Type: Redevelopment

Regional Council: The project is consistent with the Finger Lakes Regional Economic Development Council Plan to attract more students to the downtown district, drive private investment and support community investment in urban redevelopment and the Downtown Innovation Zone. This project was ranked the second highest priority by the Finger Lakes Regional Economic Development Council.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$3,003,000
Construction/Renovation	4,410,000
Infrastructure/Site Work	2,500,000
Furniture/Fixtures	635,000
Soft Costs (architectural/engineering)	415,000
Other (capital plant upgrades)	<u>735,000</u>
Total Project Costs	<u>\$11,698,000</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$3,000,000	26%	
Loan – Eastman Savings and Loan	6,358,400	54%	4.47%/12 yr.
Company Equity	<u>2,339,600</u>	20%	
Total Project Financing	<u>\$11,698,000</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Innovation Partners ROC is an affiliate of Gallina Development Corporation providing real estate development services for commercial and residential space for more than 35 years. Innovation Partner ROC was formed as a partnership for the redevelopment of the former Xerox Tower, the project site, which is now named Innovation Square, in downtown Rochester. The entity was formed in August of 2020.

Ownership: Innovation Partners ROC LLC is a family owned and operated business.

Size: All facilities are located in N.Y.

Market: Innovation Square is a unique mixed-use project in the heart of downtown Rochester with residential, retail, and commercial components. Innovation Partners ROC is looking to reinvigorate this previously abandoned building into a hub of activity where people from all different backgrounds can live, learn, and innovate.

ESD Involvement: Innovation Partners ROC purchased the project site in 2020 inheriting a \$1,000,000 grant as part of an initiative to redevelop the single largest vacant piece of property in downtown Rochester into mixed-use residential and commercial space. The former property owner submitted a Consolidated Funding Application in July 2019 and was awarded a \$1,000,000 grant from the Regional Council Capital Fund-Round 9 in December 2019. Innovation Partners ROC revised the scope of the project to increase residential units for the student market, decrease commercial space, and add academic and incubator space to help create opportunities between businesses and students for mentorships and internships. The redevelopment to transform and renovate the space required increased funding for the project. Innovation Partners ROC applied for funding to close a budget gap and was offered an additional \$2,000,000 grant from the Regional Council Capital Fund in May 2021, accepting the offer in November 2021.

Past ESD Support: This is the Company's first project with ESD

B. The Project

Completion: December 2023

Activity: Innovation Partners ROC has purchased a 580,000 square-foot building on a 2.7-acre site in Rochester. The completion of Phase I and II of the facility supports demolition of 15 floors of office space, construction of 10 floors of student housing units, construction of a more accessible entry and driveway loop and an expanded and renovated lobby along with infrastructure upgrades on the central plant.

Results: Currently, 275 students reside in Innovation Square. Several commercial tenants including an accounting firm, a consulting firm, a gaming company and a co-work-space company are awaiting move-in and improvements have been made to the accessibility of the building with a new entrance and lobby. This project has taken a building that was otherwise unused and repositioned it into a hub for innovation in downtown Rochester. The hope is that this project will help to retain local talent who have been educated in Rochester and connect them with jobs in the region to promote economic growth.

Economic Growth

Investment Projects No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Lauren Gallina, Marketing Director
1890 S. Winton Road, Suite 100
Rochester, NY 14618
Phone: 585-654-6650
E-mail: lauren@gallinadev. com

ESD Project No.: 133,310

Project Team:	Origination	Steve Golding
	Project Management	Sharon Gray
	Contractor & Supplier Diversity	Kelly Forsey
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$3,000,000 capital grant (\$30,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Gallina Development Corporation will guarantee the grant repayment obligation of its subsidiary, Innovation Partners ROC LLC, in the event of an Employment Shortfall or other default, as defined in these materials or the Grant Disbursement Agreement.
4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
5. Up to \$3,000,000 will be disbursed to Grantee upon documentation of real estate acquisition, construction/renovation, infrastructure/site work, furniture/fixtures, soft costs and other project costs totaling \$11,698,000, upon completion of the project substantially as described in these materials, as evidenced by partial certificates of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 19, 2019, to be considered eligible project costs. All disbursements must be requested by April 1, 2024.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$3,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2019-2020 New York State budget and reappropriated in the 2020-2021, 2021-2022, and 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's eligibility for inclusion in the State and National Registers of Historic Places, ESD has confirmed that the Grantee consulted with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD, OPRHP and the Grantee have agreed that the project will be implemented in accordance with a Letter of Resolution ("LOR"). ESD will ensure that all conditions stipulated in the LOR are met.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

Regional Council Award – Priority Project – City of Rochester (Finger Lakes Region – Monroe County) – Innovation Square Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Innovation Square Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Innovation Partners ROC LLC a grant for a total amount not to exceed Three Million Dollars (\$3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any

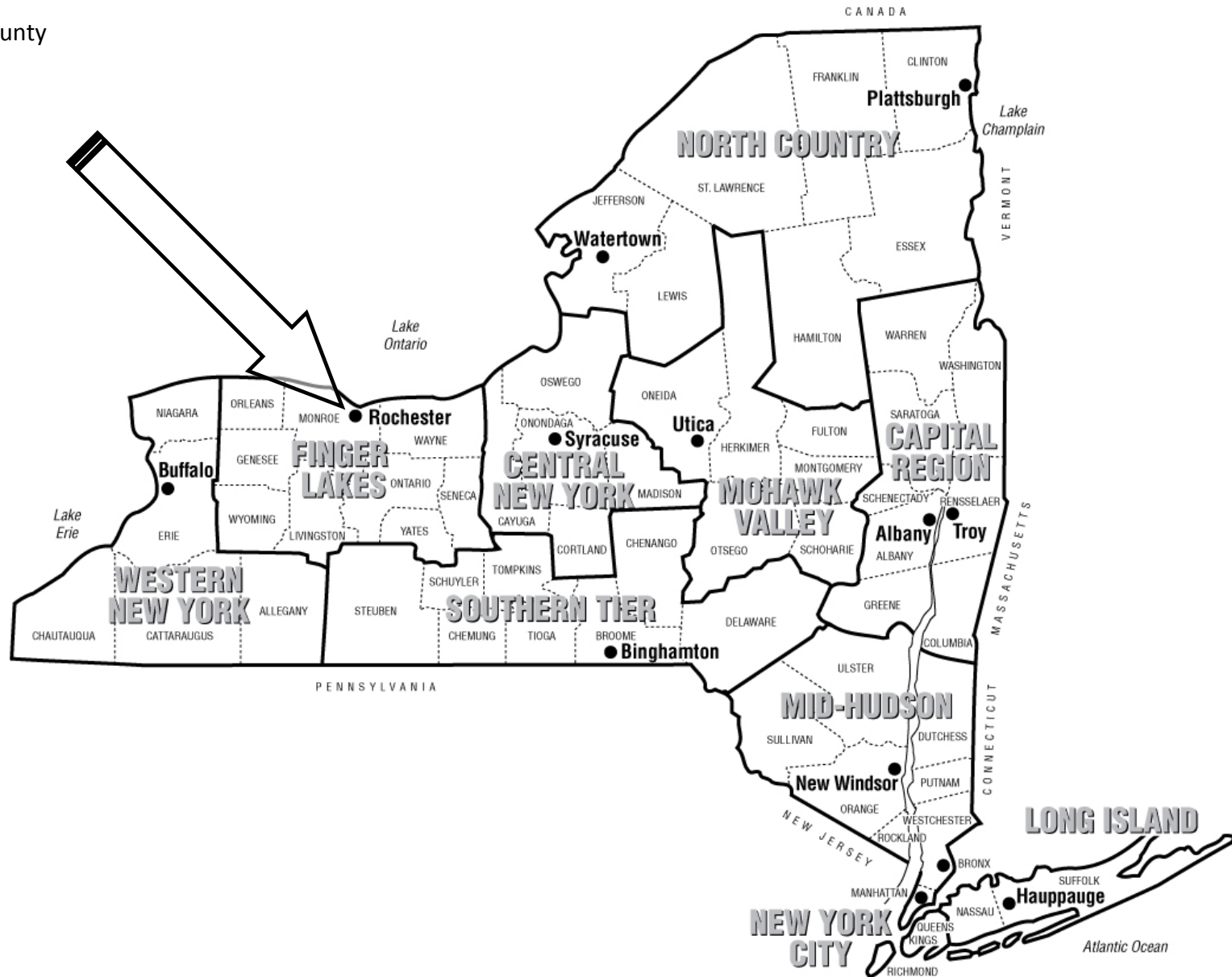
and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

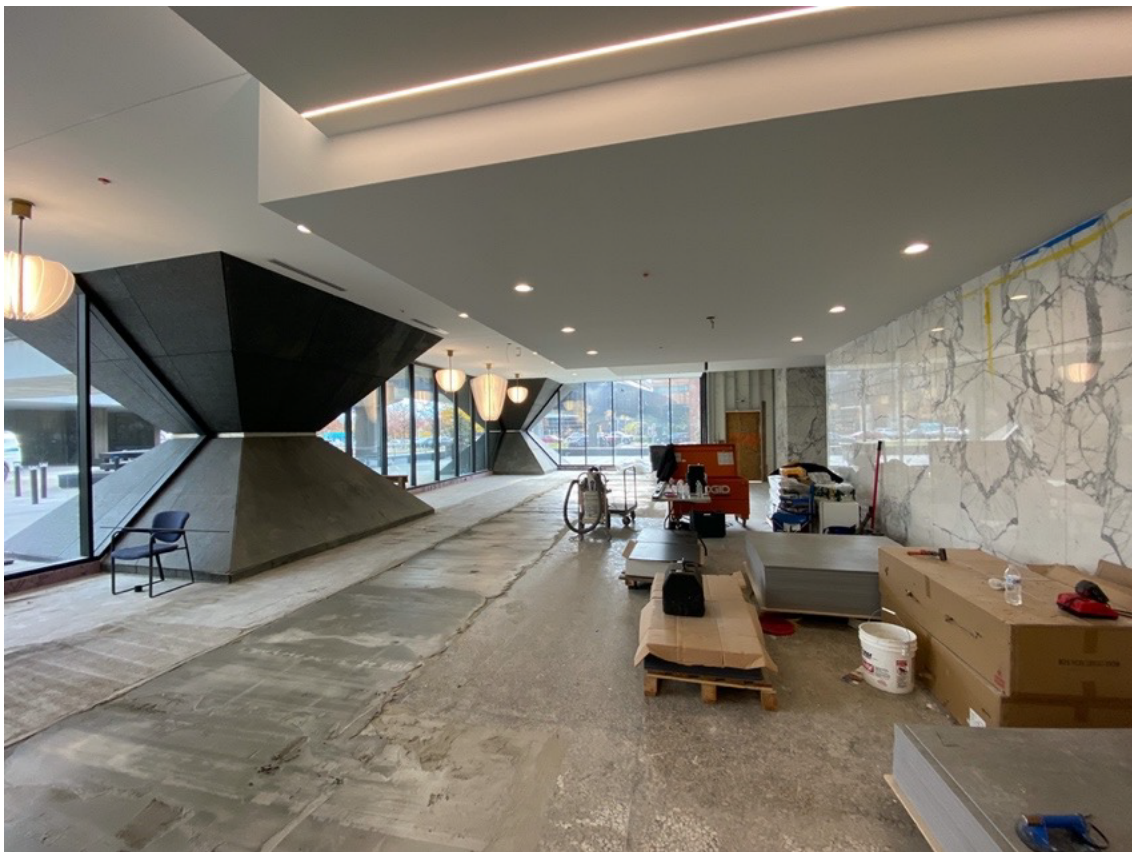
Innovation Square Capital

Rochester

Monroe County



Innovation Square Capital



Innovation Square Capital



FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16(m) and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

ESD Directors' Summary

In March 2017, Empire State Development (“ESD”) offered Air Products and Chemicals, Inc. and Linde, LLC (which became Messer, LLC) a grant of \$320,000 and an Excelsior award of \$980,000, totaling \$1,300,000 in ESD assistance. The Companies accepted the offer in April 2017, with the intention of creation a joint venture to proceed with the project, and East Coast Nitrogen was formed as a result. The project included the renovations, upgrades, and expansion of the existing Glenmont plant. The primary goal of the project was to expand the Glenmont plant by adding a 2nd liquefier and increasing the square-footage of the plant. The plant produces Liquid Nitrogen and Liquid Oxygen to be distributed to customer base in and around the Glenmont plant. This project upgrade and expansion will increase the total production capacity of the plant.

The project is now complete, and the plant has helped manage New York peak electric loads (Demand Response) and supports the economies of scale created for this Project (largest in the northeast corridor). For the grant portion, East Coast Nitrogen currently has 78 full-time permanent employees at the project location (the Company needed to retain 66 full-time permanent employees), and has invested approximately \$81 million into the project, including \$78 million of its own equity. For the Excelsior award, East Coast Nitrogen must retain/create 167 existing full-time jobs and incur at least \$49,000,000 in qualifying capital investments.

The Company has completed the project as outlined in the agreed upon project scope and therefore ESD is now recommending that the Board authorize release of project funds.

General Project Plan

I. Project Summary

Grantee:	East Coast Nitrogen LLC (“East Coast Nitrogen” or the “Company”)
ESD* Investment:	A grant of up to \$320,000 to be used for a portion of the cost to purchase new machinery and equipment
	* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)
Project Location:	461 River Road, Glenmont, Albany County
Proposed Project:	Renovation and expansion of a new manufacturing facility at Air Products and Chemicals, Inc. Glenmont location
Project Type:	Business expansion involving job retention
Regional Council:	The Capital Regional Economic Development Council has been made aware of this item.
Employment:	Initial employment at time of ESD Incentive Proposal: 66
	Current employment level: 78
	Minimum employment through January 1, 2025: 66

*Employment will consist of Air Products and Chemicals, Inc. and Messer LLC

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction / Renovation	\$39,109,385
Design Planning	\$13,199,230
Machinery / Equipment	\$20,873,428
Site work, permits, landscape, etc.	<u>\$8,091,853</u>

Total Project Costs	<u>\$81,273,896</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#132,083)	\$320,000	0.4%
National Grid	\$500,000	0.6%
NYSERDA	\$2,000,000	2.5%
Compny Equity	<u>\$78,453,896</u>	<u>96.5%</u>
Total Project Financing	<u>\$81,273,896</u>	<u>100%</u>

III. Project Description

A. Company

Industry:	Manufacturer of industrial gases
Company History:	East Coast Nitrogen, a joint venture between Air Products & Chemicals Inc. and Messer LLC (formerly known as Linde, LLC), was formed in March 2017. This arrangement was created so Air Products & Chemicals and Messer LLC could split the costs for the expansion in Glenmont and operate the plant as a joint venture going forward. East Coast Nitrogen provides industrial gases and related equipment to dozens of industries, including refining, chemical, metals, electronics, manufacturing, and food and beverage.
Ownership:	East Coast Nitrogen is a limited liability company, and the ownership is a 50/50 partnership of Air Products & Chemicals, Inc. and Messer LLC
Size:	All facilities are located in Glenmont NY.
Market:	Industrial gases industry providing oxygen, nitrogen and argon to industry segments in chemicals, food, electronics, primary materials, fabricated metals, health and medical, utilities and glass.
ESD Involvement:	<p>In 2017, Air Products and Chemicals Inc. and Messer LLC (formerly known as Linde, LLC), submitted an application to ESD to obtain funding assistance for the proposed construction and renovation of their new manufacturing facility in Albany County. In order to stay competitive, funds were needed for the new nitrogen and oxygen plant to replace older existing plants.</p> <p>In March 2017, ESD made the Company an offer of a \$320,000 award from the Empire State Economic Development Fund which the Company accepted in April 2017. The Company also received \$980,000 in Excelsior Jobs Program tax credits, totaling \$1,300,000 in ESD assistance. For the Grant portion the funds entail an investment of at least \$63 million, and the retention of 66 full time jobs at the project location. For Excelsior, the Investment Track Project entails \$49,000,000 or more in qualified investments and the retention of 167 full time employees. The Company would not have been able to move forward with the expansion if it did not receive ESD's assistance.</p>
Competition:	The Company's competitors include Air Gas and Matheson Tri-Gas.
Past ESD Support:	This is the Company's first project with ESD.

B. The Project

Completion: March 2019

Activity: The project included the acquisition of a 26.9-acre parcel of land in Glenmont, NY. The construction involved renovations and improvements to an existing 7,000-square-foot facility and the creation of 5,000 square feet of new space. The project also involved the closure of the Messer LLC (formerly known as Linde, LLC), Selkirk facility, and the retention of a least 66 jobs at the Glenmont facility.

Results: The Company has exceeded its job retention commitment of 66 jobs with a current job count of 78 at the project location.

Grantee Contact: Maria Caban
Glenmont Plant Manager
461 River Road
Glenmont, NY 12077
Phone: 1(518)292-5624
E-mail: cabanmd@airproducts.com

ESD Project No.: AB444

Project Team:	Origination	Linda Dillon
	Project Management	Nick Sarchioto
	Contractor & Supplier Diversity	Denise Ross
	Finance	Kayla Biles
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$320,000 capital grant (\$3,200) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after ESD's announcement of the project. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$320,000 will be disbursed to Grantee in lump sum upon documentation of project costs totaling \$63,000,000, upon completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy or other documentation verifying project completion as ESD may require, and documentation of the employment of at least 66 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 11, 2017 to be considered eligible project costs. All disbursements must be requested by April 1, 2024.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$320,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second

- full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	66
A	B
Reporting Date	Employment Goals
February 1, 2024	66
February 1, 2025	66
February 1, 2026	66
February 1, 2027	66

IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

As a result of this project, the Company will maintain its employment level of 66 full time permanent employee.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The Company considered relocating its operations to Allentown, Pennsylvania or Bridgewater, New Jersey. ESD's assistance helped to reduce costs and make the project feasible in New York.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth

Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Business Investment Project

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$11,263,572;
- Fiscal cost to NYS government is estimated at \$1,142,827;
- Project cost to NYS government per direct job is \$24,049;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$5,977;
- Ratio of project fiscal benefits to costs to NYS government is 9.86:1;
- Fiscal benefits to all governments (state and local) are estimated at \$18,756,887;
- Fiscal cost to all governments is \$1,142,827;
- All government cost per direct job is \$24,049;
- All government cost per total job is \$5,977;
- The fiscal benefit to cost ratio for all governments is 16.41:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$137,071,773, or \$716,899 per job (direct and indirect);
- The economic benefit to cost ratio is 119.94:1;
- Project construction cost is \$48,886,731, which is expected to generate 347 direct job years and 233 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 3.02 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is two years.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

The Town of Bethlehem Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 19, 2017. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Company shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Project Finance Memorandum

Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16(m) and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the East Coast Nitrogen Capital – Empire State Economic Development Fund - General Development Financing – (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to East Coast Nitrogen LLC a grant for a total amount not to exceed three hundred and twenty thousand Dollars (\$320,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

January 19, 2023

Glenmont (Capital District Region – Albany County) – East Coast Nitrogen Capital – Empire State Economic Development Fund General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

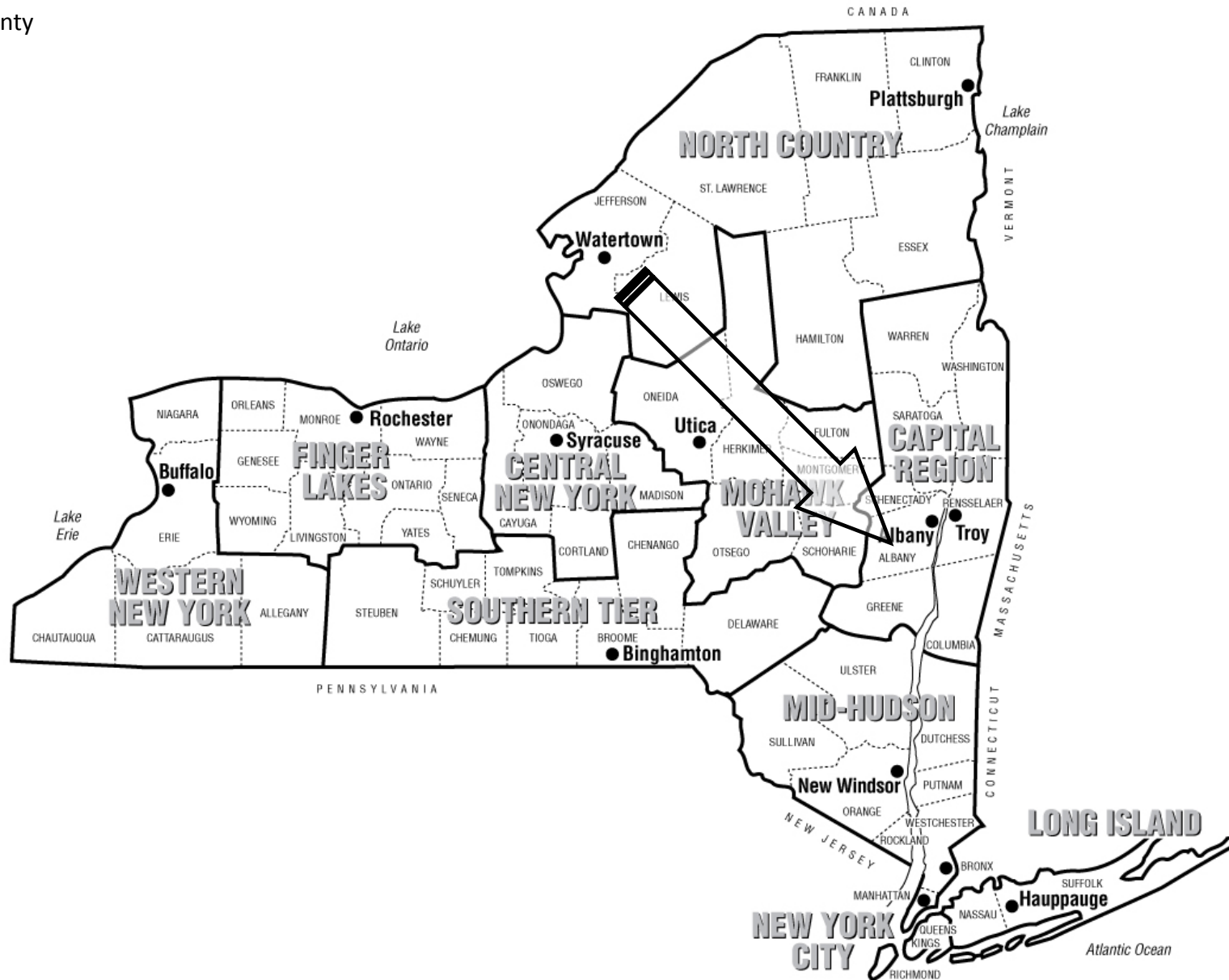
RESOLVED, that based on the material submitted to the Directors with respect to the East Coast Nitrogen Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

East Coast Nitrogen Capital

Glenmont

Albany County



Project Summary Benefit-Cost Evaluation¹

East Coast Nitrogen LLC – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs: 66
New Jobs: 0

Construction Job Years (Direct): 347
Construction Job Years (Indirect): 233

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$1,142,827	\$794,250	\$1,142,827	\$1,020,500
Fiscal Benefits⁴	\$11,263,572	\$2,085,600	\$18,756,887	\$4,271,980
Fiscal Cost /Direct Job	\$24,049	\$3,000	\$24,049	\$4,110
Fiscal Cost/Total Jobs	\$5,977	\$1,424	\$5,977	\$1,964
Fiscal B/C Ratio	9.86	7.00	16.41	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$137,071,773	\$119,468,000		
Econ. Benefits/Total Jobs	\$716,899	\$147,600		
Economic B/C Ratio	119.94	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: New York (New York City Region – New York County) – The David Geffen Hall Renovation Capital – New York Works Economic Development Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

ESD Directors' Summary

Lincoln Center for the Performing Arts, Inc. (the “Organization,” or “LCPA”), is a New York City-based not-for-profit organization with three primary roles: presenter of artistic programming, national leader in arts and arts education in support of the community, and manager of the Lincoln Center campus. LCPA applied to ESD in February 2022 for assistance with the construction and renovation of public space totaling approximately 21,000 square-feet in and around David Geffen Hall as part of the \$542.2 million accelerated renovation of the music hall. In March 2022, ESD offered LCPA a \$6,500,000 capital grant to pay for a portion of construction and renovation costs with the additional conditions that LCPA host at least 45-days of new, free public programming per year and develop and implement a new Diversity & Arts Fellowship Program to be facilitated within the new David Geffen Hall. Total project costs are \$38,643,396, including \$32,143,396 in equity contributed by the Organization. Because the Organization has satisfied its obligations for the initial disbursement, ESD is now recommending that the Board authorize the release of funds for this project.

General Project PlanI. Project Summary

Grantee: Lincoln Center for the Performing Arts, Inc. (the “Organization,” or “LCPA”)

ESD* Investment: A grant of up to \$6,500,000 to be used for a portion of the cost of construction and renovation

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 10 Lincoln Center Plaza, New York, New York County

Proposed Project: Construction and renovation of public space (the “Space”) totaling approximately 21,000 square-feet in and around David Geffen Hall (the “Hall”), located at the Lincoln Center campus, with the public space being utilized to include various community-based performances, as well as a new Diversity & Arts Fellowship Program

Project Type: Capital involving job creation and retention

Regional Council: The New York City Regional Economic Development Council has been made aware of this item. This project fits the New York City Regional goal of ensuring New York City continues to grow and prosper, while providing benefits which can be widely shared across its neighborhoods.

Employment: Initial employment at Project Location at time of ESD Incentive Proposal: 177
 Current employment level at Project Location: 362
 Minimum employment at Project Location through January 1, 2027: 291

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Demolition	\$50,185
Construction and Renovation	36,963,800
Design, Engineering, and Planning	<u>1,629,411</u>

Total Project Costs	<u>\$38,643,396</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$6,500,000	17%
Grantee Equity	<u>32,143,396</u>	<u>83%</u>
Total Project Financing	<u>\$38,643,396</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: Performing arts

Organization History: Lincoln Center for the Performing Arts, Inc. was founded and incorporated in June 1956 as “an experiment in cultural democracy.” LCPA currently serves three primary roles: presenter of artistic programming, national leader in arts and arts education in support of the community, and manager of the Lincoln Center campus. As a presenter of over 400 events annually, LCPA complements the extraordinary offerings of the 10 other Lincoln Center resident organizations, bringing internationally acclaimed artists to hundreds of thousands of people each year through a variety of popular series. As a leader in performing arts, LCPA takes on a wide range of activities through arts education, research and development through its Collider, family programming, embedding IDEA (inclusion, diversity, equity and accessibility) in all work, and several civic community initiatives.

Ownership: LCPA is a not-for-profit organization.

Size: All facilities are located in New York, NY.

ESD Involvement: LCPA applied to ESD in February 2022 for assistance with the construction and renovation of public space totaling approximately 21,000 square-feet in and around David Geffen Hall, located at the Lincoln Center campus. In March 2022, ESD offered LCPA a \$6,500,000 capital grant to pay for a portion of construction and renovation costs, which the Organization accepted in the same month.

Past ESD Support: This is the Organization’s first project with ESD in the past five years.

B. The Project

Completion: October 2022

Activity: In April 2021, LCPA announced the acceleration of the comprehensive \$542.2 million renovation of David Geffen Hall, located at the Lincoln Center campus. The design for David Geffen Hall’s new theater has eliminated the proscenium and moved the stage forward, with audience seating wrapped around it, bringing all seats closer to the performers and providing acoustical and visual intimacy. The new theater is designed to support a wide range of performance initiatives.

LCPA has also constructed and renovated the public space in and around David Geffen Hall, totaling approximately 21,000 square-feet, located at the Lincoln Center campus. The project re-imagines the entire public experience, creating a new state-of-the-art theater serving as the home of the New York Philharmonic and accommodating a diverse range of artists and audiences. The new David Geffen Hall features improved accessibility throughout with new public space for diverse cultural performance and community uses—much of it free to the public.

A new Welcome Center located on the southeast corner of David Geffen Hall is an entry point to access the full campus. Visitors can purchase a light snack from the small café, buy tickets, and get information about the programs across the campus. The Hall's Lobby has doubled in size, from 5,300 square-feet to 12,500 square-feet and opened on two sides to connect with the campus. At the core of the new lobby is a 50' Digital Wall, which shows select performances in the Wu Tsai Theater events for free in real time, commissioned public art, as well as other digital material. The reconfigured and reenergized Grand Promenade has created one of the largest gathering spaces at a performance facility in New York City, with ability to welcome more people for additional events. During performances, there will be expanded intermission seating and bar/food service, including enhanced access to the terrace and new promontories overlooking the Grand Promenade.

LCPA also transformed an opaque office into the newly constructed Sidewalk Studio which allows the daily passersby from the street on the corner of 65th Street and Broadway to have a literal window into the performers on campus through educational, artistic, and community activities. A Light-wall wrapped around three sides of the interior top of the building, creating space for dynamic mood and architectural lighting. The North Façade of the building has been reimagined for site specific graphic installations, honoring Lincoln Center's long tradition in the visual arts.

LCPA and the New York Philharmonic have planned over 30 community-targeted events, 125 performances that will be simulcasted on the 50-foot Media Wall at the heart of the new David Geffen Hall main lobby, and additional community-based performance programs will be added. In total there will be at least 45-days of new public programming per year for the first 5 years. Where possible, the programming will note that it was supported by Empire State Development and/or the State of New York.

Finally, the Organization will develop and implement a new Diversity & Arts Fellowship Program to be facilitated within the new David Geffen

Hall that will hire, train, mentor and develop one Fellow for a full-time role (minimum of 35 hours per week) each year over a five-year period, for a total of at least five Fellows. Each Fellow will have an assigned mentor in their department and be joined with colleagues in other areas to provide cross-functional perspectives and opportunities for engagement. LCPA's recruitment efforts will cast a wide net across New York State, reaching beyond New York City.

Results: Retain 177 existing jobs and create 114 new jobs at the Project Location. The Organization has exceeded its job creation goal, having created 185 new jobs at the Project Location.

Business Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$8,070,124;
- Fiscal cost to NYS government is estimated at \$6,500,000;
- Project cost to NYS government per direct job is \$63,353;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$44,146;
- Ratio of project fiscal benefits to costs to NYS government is 1.24:1;
- Fiscal benefits to all governments (state and local) are estimated at \$17,346,625;
- Fiscal cost to all governments is \$6,500,000;
- All government cost per direct job is \$63,353;
- All government cost per total job is \$44,146;
- The fiscal benefit to cost ratio for all governments is 2.67:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$109,963,251, or \$746,845 per job (direct and indirect);
- The economic benefit to cost ratio is 16.92:1;

- Project construction cost is \$38,643,396, which is expected to generate 175 direct job years and 94 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.44 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is five years.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Jim O'Hara, Chief Financial Officer and Chief Operating Officer
70 Lincoln Center Plaza
New York, NY, 10023
Phone: 212-875-5101
E-mail: johara@lincolncenter.org

ESD Project No.: 134,900

Project Team:	Origination	Joseph Tazewell
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$6,500,000 capital grant (\$65,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Organization must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a

minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$6,500,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$3,250,000) will be disbursed upon completion of the project substantially as described in these materials as evidenced by a Temporary Certificate of Occupancy and/or other documentation verifying project completion as ESD may require, documentation of total eligible project costs totaling \$32,600,000, including construction and renovation costs of \$28,980,914, and documentation of the employment of at least 177 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of 25% of an amount equal to the grant (\$1,625,000) will be disbursed upon documentation of the employment of at least 234 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$1,625,000) will be disbursed upon documentation of the employment of at least 291 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 8, 2022, to be considered eligible project costs. All disbursements must be requested by April 1, 2024.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$6,500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant

funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12-month period computed by quarter.

Baseline Employment	177
A	B
Reporting Date	Employment Goals
February 1, 2024	177+X+Y
February 1, 2025	177+X+Y
February 1, 2026	177+X+Y
February 1, 2027	177+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=57, and Employment Goals shall equal $[177 + X = 234]$ if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=57, and Employment Goals shall equal $[177 + X + Y = 291]$ if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis – NY Works Economic Development Fund Program

The funding was authorized in the 2021-2022 New York State budget and reappropriated in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's status as a contributing resource to LCPA, which is eligible for listing in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") pursuant to Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. ESD, OPRHP and LCPA have agreed that the project will be implemented in accordance with a Letter of Resolution ("LOR"). ESD will ensure that all conditions stipulated in the LOR are met.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. LCPA shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Project Finance Memorandum
Project Photograph

January 19, 2023

New York (New York City Region – New York County) – The David Geffen Hall Renovation Capital – New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the The David Geffen Hall Renovation Capital -- New York Works EDF 21-22 (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Lincoln Center for the Performing Arts, Inc. a grant for a total amount not to exceed SIX MILLION FIVE HUNDRED THOUSAND Dollars (\$6,500,000) from the New York Works EDF, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

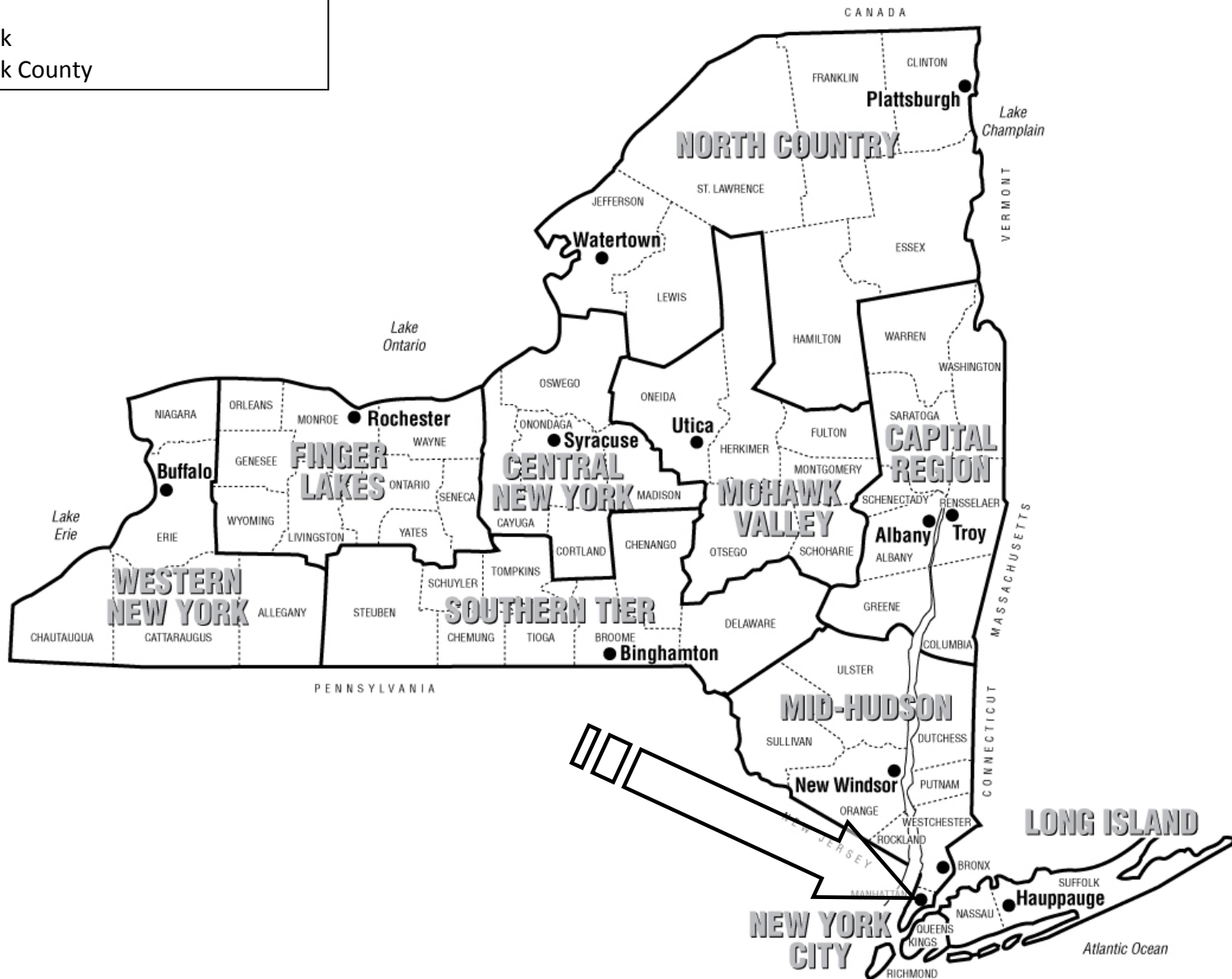
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The David Geffen Hall Renovation

Capital

New York

New York County



Project Summary Benefit-Cost Evaluation¹

Lincoln Center for the Performing Arts, Inc. – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs: 177

New Jobs: 114 in year one

Construction Job Years (Direct): 175

Construction Job Years (Indirect): 94

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$6,500,000	\$794,250	\$6,500,000	\$1,020,500
Fiscal Benefits⁴	\$8,070,124	\$2,085,600	\$17,346,625	\$4,271,980
Fiscal Cost /Direct Job	\$63,353	\$3,000	\$63,353	\$4,110
Fiscal Cost/Total Jobs	\$44,146	\$1,424	\$44,146	\$1,964
Fiscal B/C Ratio	1.24	7.00	2.67	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$109,963,251	\$119,468,000		
Econ. Benefits/Total Jobs	\$746,845	\$147,600		
Economic B/C Ratio	16.92	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

The David Geffen Hall Renovation Capital Project



The David Geffen Hall Renovation Capital Project



FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: ATDO (At the Direction Of) Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act;
Authorization to Adopt the Proposed General Project Plans;
Authorization to Make Grants and to Take Related Actions;
Determination of No Significant Effect on the Environment

I. ESD Directors' SummaryA. Boys & Girls Clubs of Schenectady Capital (Project No. 134,972)

The Boys & Girls Clubs of Schenectady is an affiliate member of Boys & Girls Clubs of America ("BGCA"), a not-for-profit organization focused on youth development through service and education. A \$1,000,000 appropriation from the Capital Assistance Program for Technology, Infrastructure and Economic Development program was made available in the FY 2018-2019 New York State budget at the direction of Senator James Tedisco of the 49th District of the New York State Senate to promote youth development and community revitalization efforts in the Capital District region. ESD sent the Grantee an Invitation to Apply letter in April 2022 and the grantee submitted an application to ESD in July 2022. The application was subsequently reviewed and approved to move forward in November 2022. The grant funds will be used to construct a 39,450 square-foot, brand new Boys & Girls Club in the Mont Pleasant neighborhood of Schenectady, New York to serve the community youth and further promote the community revitalization efforts. ESD is recommending that the Board authorize the release of funds to support this project.

B. 2023 Winter University Games 5-Year Implementation Plan Phase II Capital (Project No. 133,005)

The 2015, North Country Upstate Revitalization Initiative Plan identified a need to determine the viability of utilizing the 1980 Olympic venues as a means to spur economic growth and increase employment opportunities in the region. It was determined that the venues were not competitive with other national/international winter sports competition and training sites, and not economically sustainable. The Adirondack North Country Sports Council ("ANCSC") concluded that in order to justify the needed financial infusion of capital, a new approach was necessary. The approach would involve the development of a timeline to secure national/international multisport events, including the 2023 Winter University Games, the largest international winter multi-sports event for student athletes.

In April 2019, the Adirondack North Country Sports Council applied for ESD assistance to conduct a required marketing program and Master Plan to serve as the blueprint for staging the 2023 Winter University Games. On January 16, 2020, ESD approved a \$5 million working capital grant to the Adirondack North Country Sports Council from the Upstate Revitalization Initiative program for operational functions related to Phase II (Years 2 & 3) of the 2023 Winter University Games 5-Year Implementation Plan.

On January 20, 2022, the Directors' approved an additional \$5,000,000 appropriation to ANCSC, authorized in FY 2021-2022 at the direction of the Executive Chamber, to be funded from the New York Works Empire State Development Fund. The additional \$5 million brought the total funding assistance to \$10 million which allowed the ANCSC to continue the operational functions related to Phase II of the 2023 Winter University Games 5-Year Implementation Plan.

On May 19, 2022, an additional \$35 Million was approved by ESD Board of Directors at the direction of the Executive Chamber in FY 2022-2023 to be funded from the World University Games Miscellaneous Project Fund in order to continue supporting operational functions related to the 2023 Winter University Games 5-Year Implementation Plan and to allow capital costs associated with outfitting a facility to serve as the operational center for the games.

At this time, the Directors are being asked to approve an additional \$2,000,000 appropriation made available at the direction of the Executive Chamber in FY 2022-2023 to be funded from the World University Games Miscellaneous Project Fund for continuing work on the games, making the total award to ANSCS \$47 million. The project is expected to be complete in September 2023, and ESD is recommending that the Board authorize the release of funds to support this project.

Below, is the summary of the projects sponsored by the NYS Legislative and Executive branches:

	Project Name	Project #	Grantee	Assistance Up To
	Capital Assistance Program for Technology Infrastructure and Development (Senate)			
A.	Boys & Girls Clubs of Schenectady Capital	134,972	Boys & Girls Clubs of Schenectady, Inc.	\$1,000,000
	World University Games Miscellaneous – All State Depts. and Agencies (Executive)			
B.	2023 Winter University Games 5-Year Implementation Plan Phase II Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$2,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL ATDO PROJECTS – 2		TOTAL	\$3,000,000

II. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or re-appropriated in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

III. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

IV. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

V. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

VI. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

*New York State Urban Development Corporation d/b/a Empire State Development

VII. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General (“OAG”), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller (“OSC”) has notified the Corporation that it will review all grant disbursement agreements (“GDAs”) of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund (“007”). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VIII. Additional Submissions to Directors

Resolutions
Project Summaries
New York State Map

Capital Assistance Program for Technology Infrastructure and Development – (Capital Grant) - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Capital Assistance Program for Technology Infrastructure and Development Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Capital Assistance Program for Technology Infrastructure and Development program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Capital Assistance Program for Technology Infrastructure and Development Boys and Girls Clubs of Schenectady, Inc. a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Capital Assistance Program for Technology Infrastructure and Development, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such

actions and make such modifications to the terms of the grant as she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds

Capital Assistance Program for Technology Infrastructure and Development – Senate – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
	Capital Assistance Program for Technology Infrastructure and Development (Senate)			
A.	Boys & Girls Clubs of Schenectady Capital	134,972	Boys & Girls Clubs of Schenectady, Inc.	\$1,000,000
	TOTAL CAPTID PROJECTS – 1		TOTAL	\$1,000,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

January 19, 2023

Lake Placid (North Country – Essex County) – 2023 Winter University Games 5-Year Implementation Plan Phase II Capital - World University Games Miscellaneous Fund – All State Departments and Agencies (Capital Grant) – Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

BE IT RESOLVED, that based on the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, that the grant of Five Million Dollars (\$5,000,000) from the Upstate Revitalization Initiative, and Five Million Dollars (\$5,000,000) from the New York Works Economic Development Fund, and Thirty Five Million Dollars (\$35,000,000) from the World University Games Miscellaneous Fund authorized by the Directors of the Corporation on January 16, 2020 as modified on January 20, 2022, and as modified on May 19, 2022, be and it hereby is modified and the Directors of the Corporation hereby adopt the Amended Project Plan, to implement the project as amended, all as set forth in the materials presented to the Directors of the Corporation on January 19, 2023; and be it further

RESOLVED, that, except as modified hereby, all other terms of the grant as originally authorized by the Directors of the Corporation shall remain in full force and effect; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project included in these materials, copies of which Plan shall be maintained with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council a grant for a total amount not to exceed Forty Seven Million Dollars (\$47,000,000) from the Upstate Revitalization Initiative, the New York Works Economic Development Fund and the World University Games Miscellaneous Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief

Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council an additional grant for a total amount not to exceed Two Million Dollars (\$2,000,000), from the World University Games Miscellaneous Fund for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

World University Games Miscellaneous – All State Departments and Agencies – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
B.	World University Games Miscellaneous – All State Departments and Agencies (Executive)			
	2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$2,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL World Games PROJECT – 1		TOTAL	\$2,000,000

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. Boys & Girls Clubs of Schenectady Capital (134,972)

January 19, 2023

General Project Plan

- Grantee:** Boys & Girls Clubs of Schenectady, Inc. (The “Club” or the “Organization”)
- ESD Investment:** A grant of up to \$1,000,000 to be used for a portion of the cost of construction
- Project Location:** 104 Education Drive, Schenectady, Schenectady County
- Proposed Project:** The construction of a 39,450 square-foot, brand new Boys & Girls Club in the Mont Pleasant neighborhood of Schenectady, New York.
- Project Type:** Construction
- Regional Council:** Capital District Regional Economic Development Council has been made aware of this item
- Background:**

Industry – Community Service

Organizational History – The Boys & Girls Clubs of Schenectady, Inc. was founded in 1936 by community volunteers and has always aimed to inspire and enable young people to reach their full potential as productive, caring, and responsible citizens. The Club operates in 15 sites and extensions and serves 11,000 young people annually. The Organization promotes the social, educational, health, leadership, and character development of local youth in distressed neighborhoods during critical periods of their growth.

The Club is the largest after-school youth development provider in Schenectady County and partners with the City of Schenectady to operate the City’s swimming pools. Additionally, they partner with three school districts to provide key programming in schools, and with the Schenectady County Department of Social Services and Probation to provide families with immediate services and case management.

The Club also played a vital role during the COVID-19 Pandemic remaining open to serve over 100,000 free meals, provide critical basic needs, offer vaccinations/testing, help with youths’ educational needs, and provide a safe place for young people to grow.

Ownership – The Club is a not-for-profit organization.

Boys & Girls Clubs of Schenectady Capital (134,972)

January 19, 2023

ESD Involvement - A \$1,000,000 appropriation was included in the FY 2018-2019 State budget.

Past ESD Support – The grantee has not received ESD funding in the past five years.

The Project:

Completion – August 2019

Activity – The Organization constructed a 39,450 square-foot, brand new Boys & Girls Club in the Mont Pleasant neighborhood in Schenectady to further rehabilitate the City of Schenectady. This project is working in tandem with other community projects to contribute to the resurgence of the community. The need for an additional location resulted from the high demand seen at existing locations. Construction began in 2018 and was completed in August 2019. In addition to serving and feeding hundreds of young people annually, the Club will also offer Family Nights where all family members of a household are invited to participate in events and workshops, physical activities for senior citizens, and Soft Skills and Employment Training for Teens.

Results – In 2021, the new location served 620 children/youth, all of whom used some type of reduced fee option. These children came over 12,331 annual visits and were served 66,626 healthy meals over the course of the year. The facility was able to maintain operation throughout the COVID-19 Pandemic to continuously serve underprivileged children. The Club employs 16 employees, all of which have the opportunity to advance (including part-time). Every employee is also offered training in Youth Development Principals and other youth related topics.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction	\$9,025,943	ESD Grant	\$1,000,000	9%
Constructor Overhead and Profit	537,279	Company Equity	7,394,176	65%
Indirect/Soft Costs	1,830,954	Housing Trust Fund Corporation - Grant	3,000,000	26%
Total Project Costs	\$11,394,176	Total Project Financing	\$11,394,176	100%

Boys & Girls Clubs of Schenectady Capital (134,972)

January 19, 2023

Grantee Contact - Shane Bargy, Executive Director
104 Education Drive
Schenectady, New York 12303
Phone: 518-374-4714
E-mail: shane769@cs. com

<u>Project Team</u> -	Project Management	Alexandra Araujo
	Contractor & Supplier Diversity	Danielle Adams
	Environmental	Eram Qadri

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
1. Up to \$1,000,000 will be disbursed to Grantee in a lump sum, upon documentation of construction, furniture, fixtures and equipment and soft/indirect project costs totaling \$11,394,176, and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2018, the date that the New York State budget, in which the project is authorized, was passed.

2. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Environmental Review:

The City of Schenectady, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on May 29, 2018. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is

Boys & Girls Clubs of Schenectady Capital (134,972)

January 19, 2023

recommended that the Directors make a Determination of No Significant Effect on the Environment.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Statutory Basis – Capital Assistance Program for Technology, Infrastructure and Economic Development:

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020, 2020-2021, 2021-2022 and 2022-2023 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has affirmed under penalty of perjury that neither the Sponsoring Member(s) or any related party to Sponsoring Member(s) has any financial interest, direct or indirect, in the Grantee/Recipient or in any of the Grantee/Recipient's equity owners, or has received or will receive any financial benefit, either directly or indirectly, from the Grantee/Recipient or its related parties.

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

January 19, 2023

Schenectady (Capital District Region – Schenectady County) – Boys & Girls Clubs of Schenectady Capital – Capital Assistance Program for Technology Infrastructure and Economic Development (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Boys & Girls Clubs of Schenectady Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

B. 2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

General Project Plan

Request For: Authorization to Adopt the General Project Plan; Authorization to Make a Grant and to Take Related Actions

Grantee: Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council (the "Grantee" or "ANCSC")

Previous ESD Investment: A grant of up to \$45,000,000 to be used for a portion of the cost of working capital expenditures

Revised ESD Investment: An additional investment of up to \$2,000,000 to be used for a portion of the cost of capital and working capital expenditures for a total of \$47,000,000 in funding

Revised Project Locations: See Appendix

Proposed Project Modification: To date, ESD has disbursed \$35,000,000 of the previously approved \$45 million grant. Adirondack North Country Sports Council has requested that ESD modify the Project to update the total Project cost. Finally, the grant will be amended to receive an additional \$2,000,000 in grant funds making the total grant \$47,000,000.

Previous Project Budget:

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$15,250,546	ESD Grant	\$45,000,000	100%
Machinery & Equipment	\$730,993			
Marketing	9,412,106			
Renovation	234,100			
Operations	19,372,255			
Total Project Costs	\$45,000,000	Total Project Financing	\$45,000,000	100%

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

Revised Project Budget:

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$15,985,956	ESD Grant	\$47,000,000	100%
Machinery & Equipment	\$882,209			
Marketing	9,662,243			
Renovation	234,100			
Operations	20,235,492			
Total Project Costs	\$47,000,000	Total Project Financing	\$47,000,000	100%

Project Type: Capital and Working Capital

Regional Council: The Project is consistent with the North Country Regional Economic Development Council Plan to solicit recreational and competitive sporting events / competitions on the national and international level to leverage regional identity, sports tourism, and economic activities.

Project Background: These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on January 16, 2020 (the "Materials"), as well as the attached modification materials presented to and approved by the Directors on January 20, 2022 and May 19, 2022. Any substantive changes to the Project or terms and conditions are noted in these materials.

The Grantee is requesting a modification to its previously approved ESD Board materials to include an additional \$2,000,000 in funding, made available in FY 2022-2023 from the World University Games Miscellaneous Fund, and to update the Project budget.

ANCSC has instituted a five-year implementation plan, in conjunction with the Governor's Executive Order of Support No. 185, and the international hosting agreement, to certify the region is ready to accept the World University Games (the "Games") by 2023. The additional grant funds will continue to support the administrative costs of the Project, and will incorporate several operational functions including the development of a comprehensive branding, marketing, communications, security and logistics plan for the games, and payroll. Additional operational functions supported by the grant funds include accommodations for the athletes, staff, and officials, management of the Athletes' Village, broadcast

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

operations, as well as planning and execution of the various ceremonies involved with the Games. Plans to generate additional revenue via licensing agreements will continue to be pursued.

Additionally, grant funds will be used for capital expenditures involving the lease and fit-out of a suitable facility to act as the Main Operations Center (“MOC”). This space must be large enough to accommodate over 100 staff members during the lead-up, execution, and dissolution phases of the Games. Grouping of staff in one centralized location will promote greater communication and coordination among all the functional areas/departments of the event. The MOC must provide a clean, accessible, and functionally acceptable space for staff to work effectively which will require facility upgrades to existing structural, electrical, HVAC, plumbing, and IT systems. Finally, the Grantee will rent or lease much of the machinery and equipment needed for the administration of Games for the period necessary. In the event that a certain item is not readily available or cost justified under a rental agreement, the equipment would be purchased with the expectation of liquidating it during the dissolution phase.

Following the Games there will be several major activities that will require support. Games-related locations will undergo clean-up, removing signage and any equipment. Materials and equipment purchased will need to be centrally collected and then liquidated. Financial activities will continue, and audits will be conducted. There are also requirements to Fédération Internationale du Sport Universitaire (“FISU”) that are stipulated by the attribution agreement: Final reports to FISU (including contributions from each Functional Area) will need to be compiled and submitted; presentation of a final report at the FISU Executive Meeting; and conduct an Observers Program and Transfer of Knowledge to the next host city. A post-games plan for liquidation and dissolution is in final stages of development. The Project as described in these Materials is estimated to be completed by September 2023.

A few major milestones to date include: accommodations for the delegations have been identified and are all under contract, Athlete Village needs have been identified and solutions implemented, the opening and closing ceremonies concept has been drafted, and venue sports presentation production contracts have been secured. ANCS has also awarded a host broadcasting contract to Carr-Hughes Productions and Echo Entertainment, selected their digital and broadcast distribution partner, ESPN, and completed the competition schedule for all events and venues. Additionally, medical services contracts have been obtained,

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

agreements are in place with local facilities, helicopter medical evacuation service needs have been identified and contracted, and the ambulance service requirements have been analyzed and a contract has been negotiated. Finally, a workforce of over 200 paid staff has been engaged, volunteer requirements have been identified and continue to be recruited for an estimated need of 1,800 during the games.

It should be noted that outside of, and in addition to ESD's administration of the grants mentioned in these materials, the project and the selection of the Lake Placid area to host the games has resulted in upgrades at a number of the facilities in order to accommodate the games, which will be a great benefit to the North Country region for years to come.

A virtual public hearing on the Project was held pursuant to Section 16(s) of the UDC Act, on June 7, 2022, from 2pm-3pm. No comments about the Project were made at the hearing.

Because the objective of the Project remains the same as in the previously approved ESD Board materials, ESD staff propose to reflect the necessary changes in an amendment to the executed February 2, 2020 Grant Disbursement Agreement.

No Benefit-Cost Analysis ("BCA") is required since these Projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

There is no finance memo for this Project as the Project involves no job commitments and the Grantee had been financially dormant for several years and did not have any audited financial statements to review for those years.

Grantee Contact - Ashley Walden, Project Director
281 Bear Cub Lane, PO Box 1470
Lake Placid, NY, 12946
Phone: 508-523-4376
E-mail: ashley@lakeplacid2023.com

<u>Project Team</u>	Origination	Erin Hynes
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Danah Alexander
	Environmental	Soo Kang

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

Financial Terms and Conditions:

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. The Grant Disbursement Agreement dated February 2, 2020 as subsequently amended currently contains \$45,000,000 of the previously approved ESD grant assistance. Once all necessary approvals are obtained for the \$2,000,000 grant, the disbursements for the cumulative \$47,000,000 that will be covered by the subsequent Grant Disbursement Agreement Amendment will be structured as follows: Up to \$47,000,000 will be deposited, as set forth below, into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee, based on Grantee's expected quarterly cash flow. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used for working capital expenditures ("Project Costs"). ESD shall be provided with copies of all account bank statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.
 - a) An Initial Advance of \$1,500,000 will be deposited as an advance in the Imprest Account upon GDA execution and upon ESD's receipt of a completed Payment Requisition Form requesting the Initial Advance and other documentation as ESD requires. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
 - b) A Second Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial Advance (\$1,125,000). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
 - c) A Third Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon documentation of eligible expenditures and proof of payment of 75% of the Initial and Second Advances (\$2,625,000 cumulative). The

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

- d) A Fourth Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, and Third Advances (\$3,750,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- e) A Fifth Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, and Fourth Advances (\$4,875,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- f) A Sixth Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, and Fifth Advances (\$6,375,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- g) A Seventh Advance of \$10,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, and Sixth

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

Advances (\$7,500,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

- h) An Eighth Advance of \$15,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, Sixth, and Seventh Advances (\$15,000,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- i) A Ninth Advance of \$10,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Advances (\$26,250,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- j) A Final Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, and Ninth Advances (\$33,750,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

January 19, 2023

Within 12 months of the Final Advance, ESD will require full documentation of eligible expenditures including invoices and proof of payment of 100% of the Initial, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, and Final Advances (\$47,000,000 cumulative).

Expenses must be incurred on or after June 17, 2019, to be considered eligible Project costs. All disbursements must be requested by April 1, 2024.

3. ESD may reallocate the Project funds to another form of assistance, at an amount no greater than \$47,000,000, for this Project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Statutory Basis – World University Games Miscellaneous Fund:

The funding was authorized in the 2022-2023 New York State Budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has affirmed under penalty of perjury that neither the Sponsoring Member(s) or any related party to Sponsoring Member(s) has any financial interest, direct or indirect, in the Grantee/Recipient or in any of the Grantee/Recipient's equity owners, or has received or will receive any financial benefit, either directly or indirectly, from the Grantee/Recipient or its related parties.

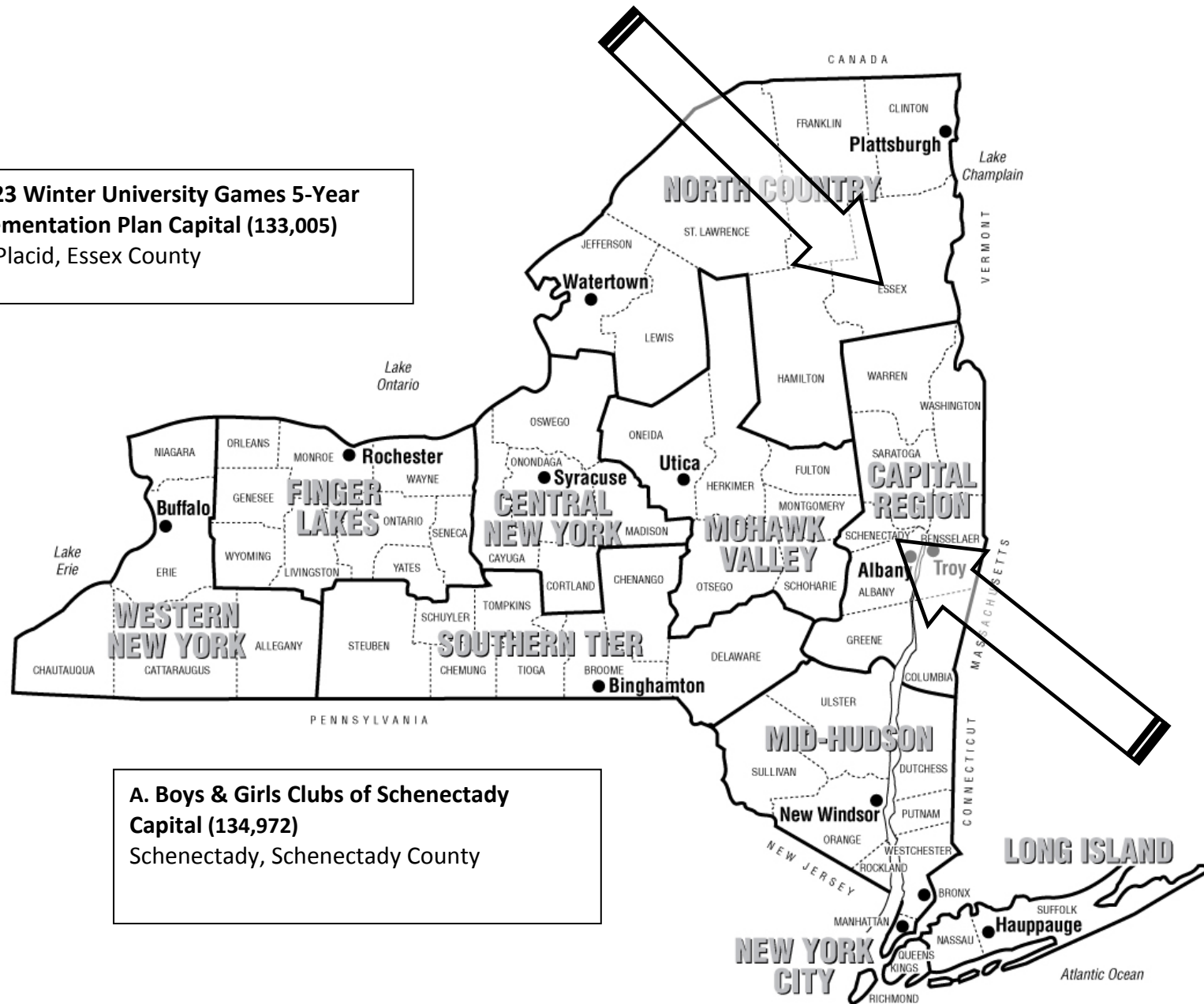
The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

Additional

Submissions: Approved Directors' Materials dated January 16, 2020
Approved Directors' Modification Materials dated January 20, 2022
Approved Directors' Modification Materials dated May 19, 2022
Appendix

ATDO (At The Direction Of) Project - Map

**B. 2023 Winter University Games 5-Year
Implementation Plan Capital (133,005)**
Lake Placid, Essex County



A. Boys & Girls Clubs of Schenectady
Capital (134,972)
Schenectady, Schenectady County

Attachments - Item III. A. – At the Direction Of Projects

B. 2023 Winter University Games 5-Year Implementation Plan Phase II Capital

1/16/20 ESD Directors' Materials

1/20/22 ESD Directors' Materials - Modification

5/19/22 ESD Directors' Materials - Modification

Attachment

**1/16/20 ESD Directors' Meeting
Original General Project Plan Approval**



FOR CONSIDERATION

January 16, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Lake Placid (North Country Region – Essex County) – 2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital – Upstate Revitalization Initiative (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

I. Project Summary

Grantee: Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council (the "Grantee" or "ANCSC")

ESD* Investment: A grant of up to \$5,000,000 to be used for a portion of the cost of working capital expenditures

Project Location: 2284 Saranac Avenue, Suite 4, Lake Placid, Essex County

Proposed Project: Operational functions related to Phase II (Years 2 & 3) of the 2023 Winter University Games 5-Year Implementation Plan

Project Type: Working Capital

Regional Council: The project is consistent with the North Country Regional Economic Development Council Plan to solicit recreational and competitive sporting events/competitions on the national and international level to leverage regional identity, sports tourism, and economic activities.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Administration	\$2,375,000
Marketing	2,280,000
Operations	<u>345,000</u>

Total Project Costs \$5,000,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>\$5,000,000</u>	<u>100%</u>
Total Project Financing	<u>\$5,000,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Tourism & Special Events

Company History: The Adirondack North Country Sports Council was originally established in 1986 as the 2000 Club to work toward a return of the Winter Olympics to the Adirondacks, support early Bass Fishing tournaments on Lake Champlain, a snowshoe competition in Plattsburgh, and bring Ironman competitions to Lake Placid.

Ownership: The Adirondack North Country Sports Council is a not-for-profit corporation.

Size: All facilities are located in Lake Placid, NY.

Market: As of December 2019, the 1980 Olympic venues host a variety of winter sporting events at the regional, national, as well as international level.

ESD Involvement: The 2015 North Country Upstate Revitalization Initiative Plan identified the need to determine the viability of utilizing the 1980 Olympic venues as a means to spur economic growth and increase employment opportunities in the North Country. It was determined that the venues were not competitive with other national/international winter sports competition and training sites, and that the venues were not economically sustainable. The Grantee concluded that in order to justify the needed financial infusion of capital a new approach was necessary. This approach will involve the development of a timeline to secure national/international multisport events, including the 2023 World

University Games, the largest international winter multi-sports event for student athletes, in order to address regional quality of life and economic growth needs, modernize the 1980 Olympic venues and generate venue revenue from the traveling public. It will also use the events to address regional needs such as, but not limited to, affordable and workforce housing, transportation, year-round employment growth, private investment, and hospitality infrastructure.

In April 2019, the Adirondack North Country Sports Council sought assistance from ESD in order for this project to move forward. In September 2019, ESD awarded the Adirondack North Country Sports Council a \$5,000,000 working capital/operating grant. Without assistance from ESD, this project would not be economically feasible.

Competition: N/A

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Empire State Economic Development Fund	131,966	\$1,400,000	June 28, 2018	December 31, 2020	Working Capital - Phase I of the 2023 Winter University Games 5-Year Implementation Plan

B. The Project

Completion: May 2021

Activity: ANCSC has instituted a five-year implementation plan, in conjunction with the Governor's Executive Order of Support No. 185, and the international hosting agreement, to certify the region is ready to accept the World University Games by 2023. The World University Games is an eleven-day international sports and cultural event staged every two years in a different city and country. The competition draws over 2,400 student-athletes together to compete in various disciplines including alpine, freestyle, and cross-country skiing, biathlon, speed skating, figure skating, curling, hockey, and snowboarding.

This grant supports Phase II (Years 2-3) of the project, and will incorporate several operational functions, including the development of a

comprehensive branding, marketing, communications, security and logistics plan for the games. In addition, the grant will support medical and doping services preparation and payroll. Plans to generate additional revenue via licensing agreements will also be pursued.

Results: ANCSC will deliver a required marketing program, as well as a Master Plan, which will serve as the blueprint for the staging the games. Like the 1980 Winter Olympics, the World University Games are expected to generate private investment, boost tourism, increase employment, create new business opportunities, and upgrade ailing infrastructure. While Lake Placid will be the base for the games, other communities (Saranac Lake, Plattsburgh, Malone, Potsdam, etc.) will host competitive events, thus economic impact is expected to be more regional in nature.

Economic Growth

Investment Projects: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

There is no finance memo for this project as the Grantee has been financially dormant for the previous three years and did not have any audited financial statements for review.

Grantee Contact: Ashley Walden, Project Director
2284 Saranac Avenue, Suite 4
Lake Placid, NY, 12946
Phone: 508-523-4376
E-mail: ashley@lakeplacid2023.com

ESD Project No.: 133,005

Project Team:	Origination	Erin Hynes
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Rob Kwon
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Up to \$5,000,000 will be deposited, as set forth below, into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee, based on Grantee's expected quarterly cash flow. Funds in the Imprest

Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used for working capital expenditures ("Project Costs"). ESD shall be provided with copies of all account bank statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

An Initial Advance of \$1,500,000 will be deposited as an advance in the Imprest Account upon GDA execution and upon ESD's receipt of a completed Payment Requisition Form requesting the Initial Advance and other documentation as ESD requires. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Second Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial Advance (\$1,125,000). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Final Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon documentation of eligible expenditures and proof of payment of 75% of the Initial and Second Advances (\$2,625,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

Within 12 months of the Final Advance, ESD will require full documentation of eligible expenditures including invoices and proof of payment of 100% of the Initial, Second, and Final Advances (\$5,000,000 cumulative).

Expenses must be incurred on or after June 17, 2019, to be considered eligible project costs. All disbursements must be requested by April 1, 2023.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$5,000,000, for this project if ESD determines that the reallocation of the

assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Upstate Revitalization Initiative

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the authorization to make a grant for working capital expenditures does not constitute an action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority- and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise ("MWBE") participation goal of 30% related to the total value of the qualifying expenditures totaling \$1,833,338. The MWBE participation in relation to ESD funding shall be no less than \$550,001.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map

January 16, 2020

Regional Council Award – Lake Placid (Essex County) – 2023 Winter University Games 5-Year Implementation Plan – Upstate Revitalization Initiative Round 1 Working Capital – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 2023 Winter University Games 5-Year Implementation Plan -- Upstate Revitalization Initiative (Working Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council a grant for a total amount not to exceed Five Million Dollars (\$5,000,000) from the Upstate Revitalization Initiative Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Attachment

1/20/22 ESD Directors' Meeting General Project Plan Modification

FOR CONSIDERATION

January 20, 2022

TO: The Directors

FROM: Hope Knight

SUBJECT: ATDO (At the Direction Of) Project

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

I. ESD Directors' SummaryA. 2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital (Project No. 133,005)

The 2015, North Country Upstate Revitalization Initiative Plan identified a need to determine the viability of utilizing the 1980 Olympic venues as a means to spur economic growth and increase employment opportunities in the region. It was determined that the venues were not competitive with other national/international winter sports competition and training sites, and that the venues were not economically sustainable. The Adirondack North Country Sports Council ("ANCSC") concluded that in order to justify the needed financial infusion of capital, a new approach was necessary. This approach would involve the development of a timeline to secure national/international multisport events, including the 2023 World University Games, the largest international winter multi-sports event for student athletes.

In April 2019, the Adirondack North Country Sports Council applied for ESD assistance to conduct a required marketing program and Master Plan to serve as the blueprint for staging the 2023 World University Games. In September 2019, ESD awarded the Adirondack North Country Sports Council a \$5,000,000 working capital grant from the Upstate Revitalization Initiative for operational functions related to Phase II (Years 2 & 3) of the 2023 Winter University Games 5-Year Implementation Plan, which was subsequently approved by the ESD Board of Directors on January 16, 2020.

At this time, the Directors' are being asked to approve an additional \$5,000,000 appropriation, at the direction of the Executive Chamber in FY 2021-2022 to be funded from the New York Works Empire State Development Fund to allow the ANCSC to continue the operational functions related to Phase II of the 2023 Winter University Games 5-Year Implementation Plan. The total project investment will be \$10 million. The project will use the 2023 World University Games to

address regional needs such as, but not limited to, affordable and workforce housing, transportation, year-round employment growth, private investment, and hospitality infrastructure.

Below is the summary of the project sponsored by the Executive Chamber:

	Project Name	Project #	Grantee	Assistance Up To
A.	New York Works Economic Development Fund (Executive)			
	2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$5,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL ATDO PROJECTS – 1		TOTAL	\$5,000,000

II. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or reappropriated in the 2021-2022 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

III. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

IV. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless

*New York State Urban Development Corporation d/b/a Empire State Development

otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

V. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

VI. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VII. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VIII. Additional Submissions to Directors

Resolutions
Project Summary
New York State Map

January 20, 2022

Lake Placid (North Country – Essex County) – 2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital - New York Works Economic Development Fund (Working Capital Grant) – Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make a Grant and to Take Related Actions

BE IT RESOLVED, that based on the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, that the grant of Five Million Dollars (\$5,000,000) from the Upstate Revitalization Initiative, authorized by the Directors of the Corporation on January 16, 2020, be and it hereby is modified and the Directors of the Corporation hereby adopt the Amended Project Plan, to implement the project as amended, all as set forth in the materials presented to the Directors of the Corporation on January 20, 2022; and be it further

RESOLVED, that, except as modified hereby, all other terms of the grant as originally authorized by the Directors of the Corporation shall remain in full force and effect; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council an additional grant for a total amount not to exceed Five Million Dollars (\$5,000,000), from the New York Works Economic Development Fund for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer Designate of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

New York Works Economic Development Fund – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
A.	New York Works Economic Development Fund (Executive)			
	2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$5,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL ATDO PROJECTS – 1		TOTAL	\$5,000,000

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

*New York State Urban Development Corporation d/b/a Empire State Development

**A. 2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)**

January 20, 2022

Request For: Authorization to Amend the General Project Plan

Grantee: Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a
Adirondack North Country Sports Council (the "Grantee" or "ANCSC")

**Original ESD
Investment:** A grant of up to \$5,000,000 to be used for a portion of the cost of
working capital expenditures

**Revised ESD
Investment:** A additional appropriation of up to \$5,000,000 to be used for a portion of
the cost of working capital expenditures for a total of \$10,000,000 in
funding

**Original Project
Location:** 2284 Saranac Avenue, Suite 4, Lake Placid, Essex County

**Modified Project
Locations:** 49 Parkside Drive, Lake Placid, Essex County
281 Bear Cub Way, Lake Placid, Essex County

**Proposed Project
Modification:** To date, ESD has disbursed \$4,647,860 of the original \$5 million grant.
Adirondack North Country Sports Council has requested that ESD modify
the project to change the project location and update the total project
cost. Finally, the grant will be amended to receive an additional
\$5,000,000 in grant funds making the total grant \$10,000,000.

**Original Project
Budget:**

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$2,375,000	ESD Grant	\$5,000,000	100%
Marketing	2,280,000			
Operations	345,000			
Total Project Costs	\$5,000,000	Total Project Financing	\$5,000,000	100%

**2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)
January 20, 2022**

**Revised Project
Budget:**

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$5,990,000	ESD Grant	\$10,000,000	100%
Marketing	1,890,000			
Operations	2,120,000			
Total Project Costs	\$10,000,000	Total Project Financing	\$10,000,000	100%

Project Type: Working Capital

Regional Council: The project is consistent with the North Country Regional Economic Development Council Plan to solicit recreational and competitive sporting events / competitions on the national and international level to leverage regional identity, sports tourism, and economic activities.

Project Background: These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on January 16, 2020 (the "Materials"). Any substantive changes to the project or terms and conditions are noted in these materials.

The Grantee is requesting a modification to its original, approved General Project Plan to update the Project Location. Since the Directors' initial approval, ANCSC has relocated to a new location within Essex County.

The modification will also include an update to the overall project budget to more accurately reflect the total project cost now that additional grant funds have been added in order to continue supporting operational functions related to Phase II of the 2023 Winter University Games 5-Year Implementation Plan.

ANCSC has instituted a five-year implementation plan, in conjunction with the Governor's Executive Order of Support No. 185, and the international hosting agreement, to certify the region is ready to accept the World University Games by 2023. The additional grant funds will continue to support Phase II of the project, and will incorporate several operational functions including the development of a comprehensive branding, marketing, communications, security and logistics plan for the games, and payroll. Plans to generate additional revenue via licensing agreements will continue to be pursued.

**2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)
January 20, 2022**

To date, ANCSC has completed the communications plan, as well as a volunteer strategy and recruitment plan. Various portions of the marketing plan have also been completed, including the design and release of the mascot for the Games, Adirondack Mac. Additionally, the Grantee has engaged a sponsorship agency, Caravel, completed and released an event security RFP, and awarded a results, timing, and scoring contract to MicroPlus. The Project as described in these Materials is estimated to be completed by April 2022.

Because the objective of the Project remains the same as in the originally approved General Project Plan on January 16, 2020, ESD staff propose to reflect the necessary changes in an amendment to the February 2, 2020 Grant Disbursement Agreement.

No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

There is no finance memo for this project as the project involves no job commitments and the Grantee had been financially dormant for several years and did not have any audited financial statements to review for those years.

Grantee Contact - Ashley Walden, Project Director
2284 Saranac Avenue, Suite 4
Lake Placid, NY, 12946
Phone: 508-523-4376
E-mail: ashley@lakeplacid2023.com

<u>Project Team</u>	Origination	Erin Hynes
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Rob Kwon
	Environmental	Soo Kang

**2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)**

January 20, 2022

Financial Terms and Conditions:

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Up to \$10,000,000 will be deposited, as set forth below, into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee, based on Grantee's expected quarterly cash flow. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used for working capital expenditures ("Project Costs"). ESD shall be provided with copies of all account bank statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

An Initial Advance of \$1,500,000 will be deposited as an advance in the Imprest Account upon GDA execution and upon ESD's receipt of a completed Payment Requisition Form requesting the Initial Advance and other documentation as ESD requires. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Second Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial Advance (\$1,125,000). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Third Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon documentation of eligible expenditures and proof of payment of 75% of the Initial and Second Advances (\$2,625,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request

**2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)**

January 20, 2022

from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Fourth Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, and Third Advances (\$3,750,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Fifth Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, and Fourth Advances (\$4,875,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

A Final Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, and Fifth Advances (\$6,375,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

Within 12 months of the Final Advance, ESD will require full documentation of eligible expenditures including invoices and proof of payment of 100% of the Initial, Second, Third, Fourth, Fifth, and Final Advances (\$10,000,000 cumulative).

Expenses must be incurred on or after June 17, 2019, to be considered eligible project costs. All disbursements must be requested by April 1, 2023.

**2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital
(133,005)**

January 20, 2022

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$10,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Statutory Basis – New York Works Economic Development Fund:

The funding was authorized in the 2021-2022 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Environmental Review:

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve MWBE Participation. Establishment of specific goals related to the total value of ESD's funding is still pending.

Additional

Submissions: Approved ESD Directors' Materials dated January 16, 2020

Attachment

5/19/22 ESD Directors' Meeting General Project Plan Modification

FOR CONSIDERATION

May 19, 2022

TO: The Directors

FROM: Hope Knight

SUBJECT: ATDO (At the Direction Of) Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make Grants and to Take Related Actions

I. ESD Directors' Summary

A. Queens Chamber of Commerce 2021-22 Working Capital (Project No. 134,800)

The Chamber of Commerce of the Borough of Queens is the oldest and largest business association in the borough of Queens. A \$500,000 appropriation from the Local Assistance program was made available at the direction of State Assemblyperson Catherine Nolan in the FY 2021-2022 New York State budget. ESD sent the Grantee an Invitation to Apply letter in January 2022 and the Grantee submitted an application to ESD in February 2022. The application was subsequently reviewed and approved to move forward in May 2022. The grant funds will be used to support four Queens-based economic development initiatives: Next Stop Queens, the Queens Tech Council, the Queens Chamber Internship Connection, and Queens Best. The programs were initiated in January 2022, and ESD is recommending that the Board authorize the release of funds to support this project.

B. 2023 Winter University Games 5-Year Implementation Plan Phase II Capital (Project No. 133,005)

The 2015, North Country Upstate Revitalization Initiative Plan identified a need to determine the viability of utilizing the 1980 Olympic venues as a means to spur economic growth and increase employment opportunities in the region. It was determined that the venues were not competitive with other national/international winter sports competition and training sites, and not economically sustainable. The Adirondack North Country Sports Council ("ANCSC") concluded that in order to justify the needed financial infusion of capital, a new approach was necessary. The approach would involve the development of a timeline to secure national/international multisport events, including the 2023 Winter University Games, the largest international winter multi-sports event for student athletes.

In April 2019, the Adirondack North Country Sports Council applied for ESD assistance to conduct a required marketing program and Master Plan to serve as the blueprint for staging the 2023 Winter University Games. On September 18, 2019 ESD awarded the Adirondack North Country Sports Council a \$5,000,000 working capital grant from the Upstate Revitalization Initiative for operational functions related to Phase II (Years 2 & 3) of the 2023 Winter University Games 5-Year Implementation Plan, which was subsequently approved by the ESD Board of Directors on January 16, 2020.

On January 20, 2022, the Directors' approved an additional \$5,000,000 appropriation to ANCSC, authorized in FY 2021-2022 at the direction of the Executive Chamber, to be funded from the New York Works Empire State Development Fund. The additional \$5 million brought the total funding assistance to \$10 million to allow the ANCSC to continue the operational functions related to Phase II of the 2023 Winter University Games 5-Year Implementation Plan.

At this time, the Directors' are being asked to approve an additional \$35,000,000 appropriation, at the direction of the Executive Chamber in FY 2022-2023 to be funded from the World University Games Miscellaneous Project Fund in order to continue supporting operational functions related to the 2023 Winter University Games 5-Year Implementation Plan.

Below, is the summary of the projects sponsored by the NYS Legislative and Executive branches:

	Project Name	Project #	Grantee	Assistance Up To
	Local Assistance (Assembly)			
A.	Queens Chamber of Commerce 2021-22 Working Capital	134,800	Chamber of Commerce of the Borough of Queens	\$500,000
	World University Games Miscellaneous – All State Departments and Agencies (Executive)			
B.	2023 Winter University Games 5-Year Implementation Plan Phase II Capital	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$35,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL ATDO PROJECTS – 2		TOTAL	\$35,500,000

II. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or re-appropriated in the 2022-2023 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

III. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

IV. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

V. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

VI. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

*New York State Urban Development Corporation d/b/a Empire State Development

VII. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VIII. Additional Submissions to Directors

Resolutions

Project Summaries

New York State Map

May 19, 2022

Lake Placid (North Country – Essex County) – 2023 Winter University Games 5-Year Implementation Plan Phase II Capital - World University Games Miscellaneous Fund – All State Departments and Agencies (Capital Grant) – Authorization to Modify the Proposed General Project Plan for the Purpose of Making a Grant; Authorization to Make Grants and to Take Related Actions

BE IT RESOLVED, that based on the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, that the grant of Ten Million Dollars (\$10,000,000) from the Upstate Revitalization Initiative, and the New York Works Economic Development Fund authorized by the Directors of the Corporation on January 16, 2020 and modified on January 20, 2022, be and it hereby is modified and the Directors of the Corporation hereby adopt the Amended Project Plan, to implement the project as amended, all as set forth in the materials presented to the Directors of the Corporation on May 19, 2022; and be it further

RESOLVED, that, except as modified hereby, all other terms of the grant as originally authorized by the Directors of the Corporation shall remain in full force and effect; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project included in these materials, copies of which Plan shall be maintained with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council a grant for a total amount not to exceed Thirty Five Million Dollars (\$35,000,000) from the World University Games Miscellaneous Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to make to Adirondack 1000 Islands Sports and Events

Commission, Inc. d/b/a Adirondack North Country Sports Council an additional grant for a total amount not to exceed Thirty Five Million Dollars (\$35,000,000), from the World University Games Miscellaneous Fund for the purposes, and substantially on the terms and conditions, set forth in the materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

New York Works Economic Development Fund – Project Summary Table

	Project Name	Project #	Grantee	Assistance Up To
A.	World University Games Miscellaneous – All State Departments and Agencies (Executive)			
	2023 Winter University Games 5-Year Implementation Plan Phase II Working Capital*	133,005	Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council	\$35,000,000
	<i>*Request for ESD Directors' Modification</i>			
	TOTAL ATDO PROJECTS – 1		TOTAL	\$35,000,000

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she may in her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

B. 2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

General Project Plan

Request For: Authorization to Adopt the General Project Plan; Authorization to Make a Grant and to Take Related Actions

Grantee: Adirondack 1000 Islands Sports and Events Commission, Inc. d/b/a Adirondack North Country Sports Council (the "Grantee" or "ANCSC")

Previous ESD Investment: A grant of up to \$10,000,000 to be used for a portion of the cost of working capital expenditures

Revised ESD Investment: An additional investment of up to \$35,000,000 to be used for a portion of the cost of capital and working capital expenditures for a total of \$45,000,000 in funding

Original Project Locations: 49 Parkside Drive, Lake Placid, Essex County
281 Bear Cub Way, Lake Placid, Essex County

Revised Project Locations: See Appendix

Proposed Project Modification: To date, ESD has disbursed \$8,500,000 of the original \$10 million grant. Adirondack North Country Sports Council has requested that ESD modify the Project to update the total Project cost and scope. Finally, the grant will be amended to receive an additional \$35,000,000 in grant funds making the total grant \$45,000,000.

Previous Project Budget:

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$5,990,000	ESD Grant	\$10,000,000	100%
Marketing	1,890,000			
Operations	2,120,000			
Total Project Costs	\$10,000,000	Total Project Financing	\$10,000,000	100%

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

Revised Project Budget:

Financing Uses	Amount	Financing Sources	Amount	Percent
Administration	\$15,250,546	ESD Grant	\$45,000,000	100%
Machinery & Equipment	\$730,993			
Marketing	9,412,106			
Renovation	234,100			
Operations	19,372,255			
Total Project Costs	\$45,000,000	Total Project Financing	\$45,000,000	100%

Project Type: Capital and Working Capital

Regional Council: The Project is consistent with the North Country Regional Economic Development Council Plan to solicit recreational and competitive sporting events / competitions on the national and international level to leverage regional identity, sports tourism, and economic activities.

Project Background: These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on January 16, 2020 (the "Materials"), as well as the attached modification materials presented to and approved by the Directors on January 20, 2022. Any substantive changes to the Project or terms and conditions are noted in these materials.

The Grantee is requesting a modification to its previously approved ESD Board materials to include the additional \$35 million in funding, update the Project budget, and modify the project scope to include capital costs.

ANCSC has instituted a five-year implementation plan, in conjunction with the Governor's Executive Order of Support No. 185, and the international hosting agreement, to certify the region is ready to accept the World University Games (the "Games") by 2023. The additional grant funds will continue to support the administrative costs of the Project, and will incorporate several operational functions including the development of a comprehensive branding, marketing, communications, security and logistics plan for the games, and payroll. Additional operational functions

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

supported by the grant funds include accommodations for the athletes, staff, and officials, management of the Athletes' Village, broadcast operations, as well as planning and execution of the various ceremonies involved with the Games. Plans to generate additional revenue via licensing agreements will continue to be pursued.

Additionally, grant funds will be used for capital expenditures involving the lease and fit-out of a suitable facility to act as the Main Operations Center ("MOC"). This space must be large enough to accommodate over 100 staff members during the lead-up, execution, and dissolution phases of the Games. Grouping of staff in one centralized location will promote greater communication and coordination among all the functional areas/departments of the event. The MOC must provide a clean, accessible, and functionally acceptable space for staff to work effectively which will require facility upgrades to existing structural, electrical, HVAC, plumbing, and IT systems. Finally, the Grantee will rent or lease much of the machinery and equipment needed for the administration of Games for the period necessary. In the event that a certain item is not readily available or cost justified under a rental agreement, the equipment would be purchased with the expectation of liquidating it during the dissolution phase.

Following the Games there will be several major activities that will require support. Games-related locations will undergo clean-up, removing signage and any equipment. Materials and equipment purchased will need to be centrally collected and then liquidated. Financial activities will continue, and audits will be conducted. There are also requirements to Fédération Internationale du Sport Universitaire ("FISU") that are stipulated by the attribution agreement: Final reports to FISU (including contributions from each Functional Area) will need to be compiled and submitted; presentation of a final report at the FISU Executive Meeting; and conduct an Observers Program and Transfer of Knowledge to the next host city.

To date, ANCSC has awarded a host broadcasting contract to Carr-Hughes Productions and Echo Entertainment, selected their digital and broadcast distribution partner, ESPN, and completed the competition schedule for all events and venues. Additionally, accommodations for the delegations have been identified and are all either under contract or in process. All FISU inspection visits are complete & required reports have been reviewed. The opening ceremonies concept has been drafted and a production company, Van Wagner Sports & Entertainment, is under

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

contract. Finally, the event security RFP has been issued, and a MOU is in place with Best Garde. The Project as described in these Materials is estimated to be completed by September 2023. It should be noted that outside of and in addition to ESD's administration of the grants mentioned in these materials, the project and the selection of the Lake Placid area to host the games has resulted in upgrades at a number of the facilities in order to accommodate the games, which will be a great benefit to the North Country region for years to come.

Because the objective of the Project remains the same as in the previously approved ESD Board materials, ESD staff propose to reflect the necessary changes in an amendment to the executed February 2, 2020 Grant Disbursement Agreement.

No Benefit-Cost Analysis ("BCA") is required since these Projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

There is no finance memo for this Project as the Project involves no job commitments and the Grantee had been financially dormant for several years and did not have any audited financial statements to review for those years.

Grantee Contact - Ashley Walden, Project Director
281 Bear Cub Lane, PO Box 1470
Lake Placid, NY, 12946
Phone: 508-523-4376
E-mail: ashley@lakeplacid2023.com

<u>Project Team</u>	Origination	Erin Hynes
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Danah Alexander
	Environmental	Soo Kang

Financial Terms and Conditions:

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. The Grant Disbursement Agreement dated February 2, 2020 as subsequently amended currently contains \$10,000,000 of the previously approved ESD grant assistance. Once all necessary approvals are obtained for the \$35,000,000 grant, the disbursements for the

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

cumulative \$45,000,000 that will be covered by the subsequent Grant Disbursement Agreement Amendment will be structured as follows: Up to \$45,000,000 will be deposited, as set forth below, into an account (the "Imprest Account") at a bank mutually acceptable to ESD (as set forth in writing by ESD) and the Grantee, based on Grantee's expected quarterly cash flow. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by the ESD Directors, will be invested in accordance with ESD's Investment Guidelines. Funds from the Imprest Account will be used for working capital expenditures ("Project Costs"). ESD shall be provided with copies of all account bank statements and reports in accordance with the reporting requirement. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly.

- a) An Initial Advance of \$1,500,000 will be deposited as an advance in the Imprest Account upon GDA execution and upon ESD's receipt of a completed Payment Requisition Form requesting the Initial Advance and other documentation as ESD requires. The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- b) A Second Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial Advance (\$1,125,000). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- c) A Third Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon documentation of eligible expenditures and proof of payment of 75% of the Initial and Second Advances (\$2,625,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

- d) A Fourth Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, and Third Advances (\$3,750,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- e) A Fifth Advance of \$2,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, and Fourth Advances (\$4,875,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- f) A Sixth Advance of \$1,500,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, and Fifth Advances (\$6,375,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- g) A Seventh Advance of \$10,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, and Sixth Advances (\$7,500,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

earned interest.

- h) An Eighth Advance of \$15,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, Sixth, and Seventh Advances (\$15,000,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.
- i) A Final Advance of \$10,000,000 will be deposited as an additional advance in the Imprest Account upon full documentation of eligible expenditures and proof of payment of at least 75% of the Initial, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Advances (\$26,250,000 cumulative). The Grantee may, no more frequently than monthly, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for Project Costs, assuming all Project approvals have been completed and funds are available. Each subsequent disbursement request from the Imprest Account will include the current month's invoices. Proof of payment for invoices submitted must be returned to ESD quarterly with the earned interest.

Within 12 months of the Final Advance, ESD will require full documentation of eligible expenditures including invoices and proof of payment of 100% of the Initial, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, and Final Advances (\$45,000,000 cumulative).

Expenses must be incurred on or after June 17, 2019, to be considered eligible Project costs. All disbursements must be requested by April 1, 2024.

- 3. ESD may reallocate the Project funds to another form of assistance, at an amount no greater than \$45,000,000, for this Project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Environmental:

ESD staff has determined that the Project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the Project.

2023 Winter University Games 5-Year Implementation Plan Capital (133,005)

May 19, 2022

Statutory Basis – World University Games Miscellaneous Fund:

The funding was authorized in the 2022-2023 New York State Budget. No residential relocation is required as there are no families or individuals residing on the site.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve MWBE Participation. Establishment of specific goals related to the total value of ESD's funding is still pending.

Disclosure and Accountability Certifications:

The Grantee has affirmed under penalty of perjury that neither the Sponsoring Member(s) or any related party to Sponsoring Member(s) has any financial interest, direct or indirect, in the Grantee/Recipient or in any of the Grantee/Recipient's equity owners, or has received or will receive any financial benefit, either directly or indirectly, from the Grantee/Recipient or its related parties.

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

Additional

Submissions: Attachment - 1/16/20 ESD Directors' Meeting – General Project Plan Approval
Attachment - 1/20/22 ESD Directors' Meeting – General Project Plan
Modification
Attachment - Appendix to Second Directors' Modification

III. A. – ATTACHMENT B - APPENDIX

1/19/23 ESD Directors' Meeting – Item III. A. – World University Games - Appendix

Games Related Locations	Sport/Use	Address
Albany International Airport	Point of Arrival	737 Albany Shaker Road, Albany, NY 12211
Devlin Inn	Non-sport Delegation Official accommodations	2764 Main Street, Lake Placid, NY 12946
Best Western Adirondack Inn	Village Central/Delegation accommodations	2625 Main Street, Lake Placid, NY 12946
Cheel Arena, Clarkson University	Ice Hockey	8 Clarkson Ave, Potsdam, NY 13676
Crowne Plaza Hotel	FISU Family Hotel	101 Olympic Dr, Lake Placid, NY 12946
Golden Arrow Lake Resort	Delegate Accommodation	2559 Main St, Lake Placid, NY 12946
Gore Mountain	Freestyle & Freeski, Snowboard	793 Peaceful Valley Rd, North Creek, NY 12853
Grand Adirondack Inn	International Technical Official Hotel	2520 Main St, Lake Placid, NY 12946
Hampton Inn & Suites Lake Placid	Delegation accommodations	801 Mirror Lake Dr, Lake Placid, NY 12946
Hampton Inn, Potsdam	International Technical Official Hotel	169 Market St, Potsdam, NY 13676
Horse Show Grounds	Transportation Hub	5514 Cascade Rd, Lake Placid, NY 12946
International Broadcast Center	Broadcast office	220 Bobsled Run Ln, Route 73 Lake Placid, NY 12946
Knowles Hall, SUNY Potsdam	Delegation accommodations	005 Tupper Lake Dr, Potsdam, NY 13676
Lake Placid Inn Mirror Lake	Media, Observer, Non-sport Delegation Official accommodation	821 Mirror Lake Dr, Lake Placid, NY 12946
Main Distribution Center	Warehouse	5 Latour Avenue, Plattsburgh, NY 12901
Main Medical Center	Delegation Medical Services	203 Old Military Road, Lake Placid, NY 12946
Main Press Center	Press/Photo office	49 Parkside Drive, Lake Placid, NY 12946
Maxcy Hall, SUNY Potsdam	Ice Hockey	005 Tupper Lake Dr, Potsdam, NY 13676
Mid's Park	Medals Plaza	2445 Main Street, Lake Placid, NY 12946
Montreal-Pierre Elliott Trudeau Int'l Airport	Port of entry (Canada)	975 Romeo-Vachon Blvd N, Dorval QC H4Y 1H1

1/19/23 ESD Directors' Meeting – Item III. A. – World University Games - Appendix

Mount Van Hoevenberg	Broadcast office/Biathlon, Cross-Country Skiing, Nordic Combined (XC)	220 Bobsled Run Lane, Route 73, Lake Placid, NY 12946
Newark Liberty International Airport or John F. Kennedy International Airport	Port of entry (USA)	3 Brewster Rd Newark, NJ 07114
Northwood School	Delegation accommodations	92 Northwood Rd, Lake Placid, NY 12946
Olympic Center	Figure Skating/Ice Hockey/Speed Skating/Short Track Speed Skating	2634 Main Street, Lake Placid, NY 12946
Olympic Center & Main Street	Welcome Center, Opening/Closing ceremony, Festival Village	2634 Main Street, Lake Placid, NY 12946
Olympic Jumping Complex	Ski Jumping, Nordic Combined	5486 Cascade Road, Route 73, Lake Placid, NY 12946
Olympic Training Center	Delegation accommodations	196 Old Military Rd, Lake Placid, NY 12946
Operations Center Headquarters	Main Operations Center, Technology Operations Center, Sport Coordination Center	281 Bear Cub Lane, Lake Placid, NY 12946
Paul Smith's College	Delegation accommodations	7777 NY-30, Paul Smiths, NY 12970
Roos House, SUNY Canton	Ice Hockey	34 Cornell Dr, Canton, NY 13617
Saranac Lake Civic Center	Curling	213 Ampersand Ave, Saranac Lake, NY 12983
Saranac Lodge Waterfront	International Technical Official Hotel	250 Lake Flower, Saranac Lake, NY 12983
Six Flags Great Escape Lodge	Delegation accommodations	89 Six Flags Drive, Queensbury, NY 12804
The Alpine Lodge	International Technical Official Hotel	264 Main St, North Creek, NY 1285
Uniform Distribution & Accreditation Center	Uniform & Accreditation Distribution	49 Parkside Dr, Lake Placid, NY 12946
Whiteface Mountain Ski Resort	Alpine Skiing	5021 Route 86, Wilmington, NY 12912

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Batavia (Finger Lakes Region – Genesee County) – GLOW YMCA, Inc. –
New Markets Tax Credit Sub-Allocation

REQUEST FOR: Findings and Determinations Pursuant to Sections 12 and 10(g) of the New York State Urban Development Corporation Act, as Amended (the “Act”), to Prioritize and Approve the Project, Adopt the Empire State New Market Corporation (“ESNMC”) General Project Plan (“GPP”), Make a Determination of No Significant Effect on the Environment, and Take All Related Actions

I. New Markets Tax Credit (“NMTC”) Program Background and New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) Role

The NMTC program, enacted in 2000, offers a non-refundable tax credit intended to encourage private capital investment in low-income communities. The U.S. Department of the Treasury’s Community Development Financial Institutions Fund (the “CDFI Fund”) allocates NMTCs under a competitive application process. Investors who make qualified equity investments (“QEIs”) in community development entities (“CDEs”) reduce their federal income tax liability by claiming the NMTC. The tax credit value is 39% of the cost of the QEI and is claimed over a seven-year credit allowance period.

CDEs, such as Empire State New Market Corporation (“ESNMC”), a subsidiary of ESD, apply to the CDFI Fund for an allocation of NMTCs. After an award of NMTC allocation, the CDE uses subsidiary CDEs to attract private equity investors who make QEIs in the subsidiary CDEs in order to claim the NMTCs. The subsidiary CDE then makes loans or equity investments in qualified businesses that are located in low-income communities. These loans and/or equity investments are made on better rates and terms than market. Through the NMTC program, \$71 billion in NMTCs have been awarded to CDEs across the country since inception.

ESNMC received its first allocation of NMTCs in 2009 in the amount of \$30 million. All of this initial allocation was deployed in two NMTC projects. ESNMC received a second allocation in the amount of \$55 million in the 2015-2016 round of the NMTC program. ESNMC deployed all of this allocation in twelve projects including the National Comedy Center, SUNY Broome, Hornell Medical Village, Boys and Girls Club of Schenectady, Currier Plastics, The Chautauqua Center, ALDI

(6 stores), 37 Chandler St and Thin Man Brewery. In October 2022, ESNMC received a third allocation in the amount of \$45 million for the 2021 round of the NMTC program (the “Allocation”).

Although the ESNMC board of directors (the “ESNMC Board”) approves projects for NMTC purposes, the New York State Urban Development Corporation Act (the “UDC Act”) requires the ESD board of directors to separately determine that any such projects would otherwise be approved by ESD and demonstrate one or more goals detailed below.

II. ESNMC Project Authorization

On December 20, 2022, ESNMC approved the Project, defined below, for a sub-allocation of up to \$9 million of federal New Markets Tax Credits (“NMTCs”) to ESNMC Subsidiary CDE XI, LLC (“Subsidiary CDE”) in connection with Qualified Low Income Community Investments (“QLICs”) to be made by the Subsidiary CDE to the portion of the business of GLOW (Genesee, Livingston, Orleans, and Wyoming counties) Young Men’s Christian Association, Inc. (the “Borrower” or “GLOW”) for the construction of the Healthy Living Campus in Batavia, NY (the “POB”). The POB is expected to be a Qualified Active Low Income Community Business (“QALICB”) as defined by the NMTC program regulations. The QLICs will finance the costs of construction of the new facility, pay for transaction costs and other related expenditures to increase the Borrower’s health care services in Batavia, NY (the “Project”).

In addition to approving the allocation of NMTCs for the Project, the ESNMC Board approved operative documents and all other related steps to consummate the transaction. ESNMC’s Project Review Committee and the ESNMC Advisory Board have already recommended this Project for investment.

III. Project Impact Summary

Activity: As noted above, the Subsidiary CDE will make a loan to finance the construction of the Healthy Living Campus and pay for transaction costs and other related uses that allow the Borrower to increase wellness and healthcare services in Batavia, NY, a highly distressed community as well as a Non-Metropolitan community. The 78,500 SF Project will be a newly constructed building next door to the YMCA’s existing facility, which was recently demolished to make way for this project. The Project will include approximately 58,500 SF for the YMCA and 20,000 SF for United Memorial Medical Center (“UMMC”). The QLICs will finance the core and shell of the entire building and the interior fit out of the YMCA space. UMMC will pay for tenant improvements to its own space using separate financing. The Project has commenced, anticipating a final financial closing to occur in early 2023. Construction is expected to be completed in the spring of 2024.

Results: The Borrower is expected to retain 12 full-time equivalent jobs (“FTEs”) and hire 30 FTEs as part of this Project. It is anticipated that 75% (32 FTEs)

of the employees of the YMCA and UMMC will be paid above living wage and be provided benefits. Also, the Borrower will work with local community job banks and/or training/career development centers, post job openings on local and online job boards, and engage with local schools about healthcare careers to attract low income residents to hire for full time and part time positions. In addition, it is estimated that 72 temporary FTE construction jobs will be created as part of the Project.

The Project will allow for an increase in the number of people served by the YMCA and UMMC. It is estimated that the YMCA will serve an estimated 16,000 individuals annually with services provided through the Healthy Living Campus, and UMMC will serve approximately 9,500 individuals, which includes its patients (8,400) plus non-patient participants in free community programs. UMMC will provide coaching and mentoring activity, community education, preventative health and family services, including programming related to diabetes prevention, nutritional classes and Baby Café, which is an educational program for mothers who may need assistance with breast feeding, family nutrition and support groups.

The Project has significant local, county, and state support. It has strong support from the Genesee County Economic Development Center ("GCEDC") and many local and regional organizations. The Healthy Living Campus is included in Batavia's Downtown Revitalization Plan, the Batavia Opportunity Study Nomination Plan from 2014, and the 2019-2020 Strategic Plan. The Borrower also received a \$4,075,000 grant award from ESD through the Downtown Revitalization Initiative ("DRI") and a \$500,000 Restore NY Grant.

Detailed Project and Financing information can be found in the attached ESNMC Board materials.

IV. Statutory Basis and Findings

Section 45D of the Internal Revenue Code, Section 10(g) and Sections 12 and 16(2) of the UDC Act are the relevant statutes. As noted above, the NMTC program, enacted in 2000, offers a non-refundable tax credit intended to encourage private capital investment in low-income communities. The Project will comply with all applicable NMTC program requirements. ESD is required to approve the Project (as described herein and in the attached ESNMC Board materials) and ESNMC will comply with applicable federal tax laws and consummate the transaction.

New York State legislation requires ESD to select and prioritize projects demonstrating one or more of the following goals ("Goals"): (a) creating or retaining jobs in low income communities; (b) increasing the provision of goods and services for low income community residents which would otherwise not be available at the same price or quality; (c) supporting

minority and women owned or controlled businesses; (d) expanding housing opportunities for low income community persons; (e) supporting environmentally sustainable outcomes; and (f) supporting efforts that otherwise benefit low income community residents by leveraging further investment in their communities. The Project has been selected as meeting the Goals outlined in (a), (b), and (c) based on the anticipated community impacts described in the Results sections above.

In addition to setting the Goals noted above, the legislation requires that projects “be limited to projects that would be authorized under this Act and shall be subject to approval by the Board of the Urban Development Corporation.”

By adopting the ESNMC General Project Plan, finding the Project achieved one or more of the Goals and making all other required findings, including conducting a hearing and environmental review, this Project would be authorized by the UDC Act.

V. Past ESD Support

The Borrower has received a DRI grant award totaling \$4,075,000 for the Project. In addition, the Project has received a \$500,000 Restore NY grant.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises (MWBES) and service-disabled veteran-owned businesses (SDVOBs) in the performance of ESD projects. The Borrower shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)) to achieve MWBE and SDVOB Participation. In addition, ESD’s MWBE and SDVOB Participation/Equal Employment Opportunity Policy will apply to this project plan. Specific goals related to the total value of ESD’s funding will be established on a project by project basis.

VII. Environmental Review

The City of Batavia Planning & Development Committee, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 22, 2021. Staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VIII. Requested Action

The Directors are requested to make findings and determinations to prioritize and approve the Project, adopt and ratify ESNMC Board findings and General Project Plan, make a

determination of no significant effect on the environment, and take related actions.

IX. Additional Submissions to Directors

Resolutions

New York State Map

12/20/22 ESNMC Directors' Materials

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Batavia (Finger Lakes Region – Genesee County) – GLOW YMCA, Inc. – New Markets Tax Credit Sub-Allocation – Construction of the Healthy Living Campus, a Collaboration Between the YMCA and United Memorial Medical Center (“UMMC”) Being Constructed by GLOW Young Men's Christian Association, Inc. (the “Project”) – Findings and Determinations Pursuant to Sections 12 and 10(g) of the New York State Urban Development Corporation Act, as Amended (the “Act”), to Prioritize and Approve the Project, Adopt the Empire State New Market Corporation (“ESNMC”) General Project Plan, Make a Determination of No Significant Effect on the Environment, and Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, copies of which are hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Project, the Corporation hereby selects and approves the Project, in accordance with the requirements of Section 12 and 10(g) of the Act and adopts the ESNMC General Project Plan (the “GPP”) for the Project submitted to this meeting, together with such changes therein as the ESNMC President or his designee(s) may deem appropriate, a copy of which GPP, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that, in accordance with Section 16(2) of the Act, upon written finding of the President and Chief Executive Officer of the Corporation or her designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the GPP, such GPP shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or her designee(s) be, and each of them hereby is, authorized to approve the Project, including the sub-allocation of up to \$9,000,000 of NMTCs, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that pursuant to Section 10(g) of the Act, that there are no families or individuals to be displaced from the location of the Project; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions; and be it further

RESOLVED, that any actions previously taken by the Corporation in furtherance of the actions authorized herein are hereby ratified and approved.

RESOLVED, that based on the environmental review of the Project conducted by the City of Batavia Planning & Development Committee, as lead agency, pursuant to the requirements of

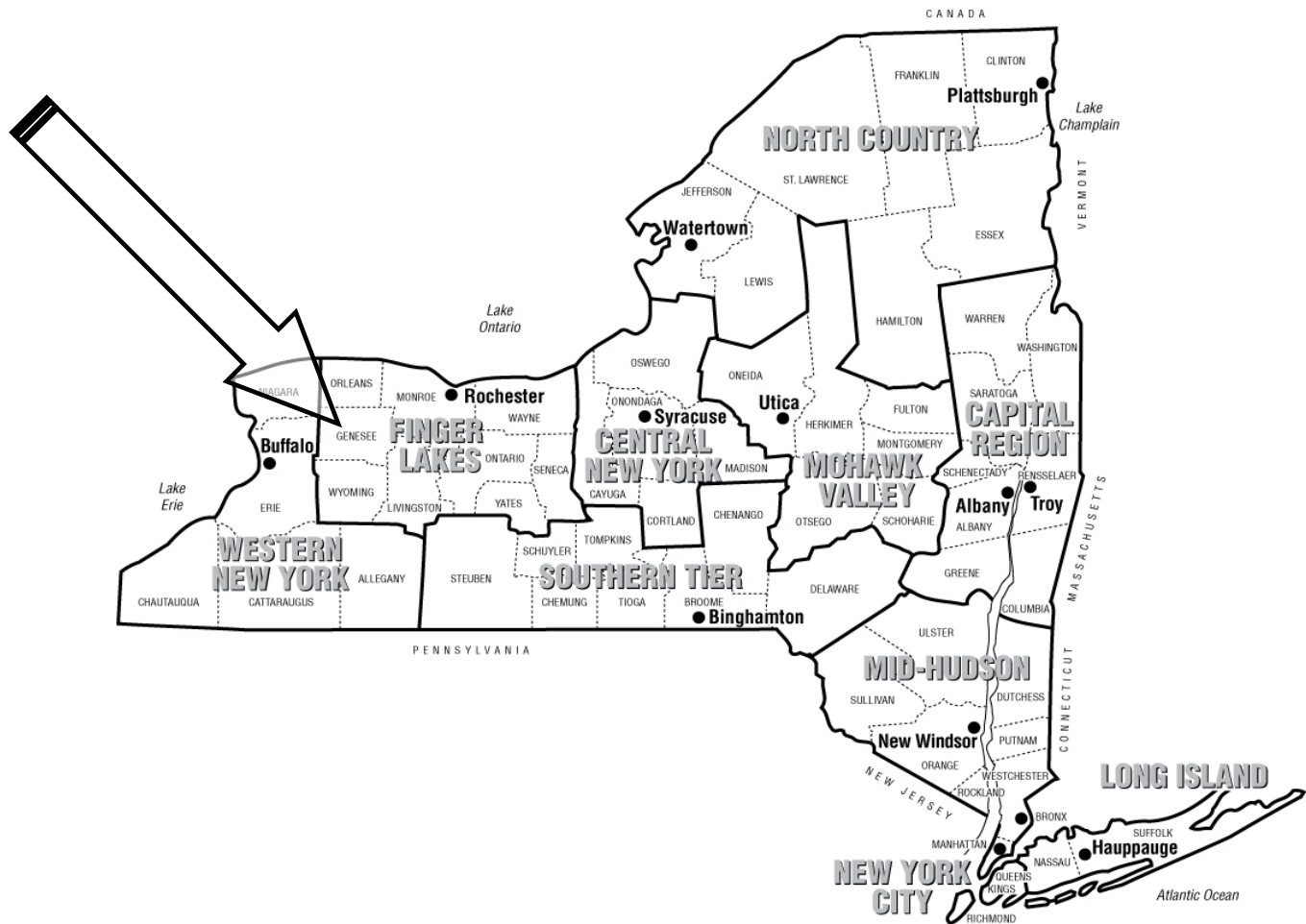
the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

ESNMC – GLOW YMCA

Batavia

Genesee County



Attachment – Item IV. A.

GLOW YMCA and United Memorial Medical Center Board Materials dated December 20, 2022



FOR CONSIDERATION

December 20, 2022

TO: The Directors

FROM: Jonevan Hornsby

SUBJECT: Batavia (Finger Lakes Region – Genesee County) – New Markets Tax Credit Sub-Allocation to provide financing in the construction of the Healthy Living Campus, a collaboration between the GLOW YMCA and United Memorial Medical Center.

REQUEST FOR: Authorization to Adopt the Proposed General Project Plan ("GPP"); Sub-Allocate New Markets Tax Credits ("NMTCs") to an Empire State New Market Corporation ("ESNMC") Subsidiary; Close the NMTC Transaction; Make a Determination of No Significant Effect on the Environment; and Take all Related Actions

General Project Plan

I. Project Summary

Project Sponsor: The sponsor is the GLOW Young Men's Christian Association, Inc. (the "Borrower" or "GLOW"). As discussed in more detail below, GLOW is the borrower of the QLICs (as defined below).

Borrower: ESNMC Subsidiary CDE XI, LLC, a New York limited liability company, or another subsidiary of ESNMC (the "Subsidiary CDE"), is expected to make loans, which will qualify as Qualified Low Income Community Investments ("QLICs", each a "QLIC") as defined under the NMTC program (further described below) to the Borrower. The Borrower will maintain separate books and records for the Project (as defined below) in relation to its other assets and activities (the "POB") in order for the POB to constitute a Qualified Active Low Income Community Business ("QALICB") under the NMTC program (further described below). The proceeds of the QLICs will be used for the construction of the Healthy Living Campus, and other transaction and related expenses (the "Project").

ESNMC* Request: Approval (1) to allocate up to \$9,000,000 in federal NMTCs for the purpose of enabling the Subsidiary CDE to make loans to the Borrower to finance the Project, and (2) to delegate authority to the President of Empire State New Market Corporation ("ESNMC") and his designee(s) to take any and all actions with respect to such allocation of NMTCs, the final terms of all transaction documents, and closing the transaction.

*ESNMC is a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD").

Project Location: The Project is located at 209 E Main St, Batavia, NY 14020

Proposed Project: The Subsidiary CDE will make loans to the Borrower to finance the costs of construction of the Healthy Living Campus and pay for transaction costs and other related uses that will allow the Borrower to increase its wellness and health care services in Batavia, NY, a highly distressed community as well as a non-Metropolitan community. The 78,500 SF Project will be a newly-constructed building next door to the YMCA's existing facility, which was recently demolished to make way for this project. The Project will include approximately 58,500 SF for the YMCA and 20,000 SF for United Memorial Medical Center ("UMMC"). The QLICs will finance the core and shell of the entire building and the interior fit out of the YMCA space. UMMC will pay for tenant improvements to its own space using separate financing. The Project has commenced, anticipating a final financial closing to occur in early 2023. Construction is expected to be completed in the spring of 2024.

Project Type: This Project will expand the wellness and healthcare services of Batavia and nearby communities. The Project will also create and retain quality and accessible jobs in this Non-Metropolitan low-income community. This investment addresses ESNMC's goals of financing projects that i) help to revitalize a highly distressed downtown community; ii) provide critical health and wellness services to a Low-Income Community ("LIC"); and iii) are located in a Non-Metropolitan community.

Alignment with Priorities: This investment aligns with the following ESNMC priorities and focus areas in the NMTC allocation application submitted to the CDFI Fund and the related Allocation received by ESNMC.

(1) Invest in projects that help revitalize highly distressed downtown communities.

The Project is located in downtown Batavia, a town designated as part of New York's Downtown Revitalization Initiative ("DRI").

(2) Finance projects that provide critical goods and services to LICs.

GLOW and UMMC will collaboratively serve local low-income residents of Batavia and the surrounding low-income rural community. Local residents will use GLOW's fitness programs and UMMC's primary health services, which creates a seamless and accessible continuum of healthcare ranging from preventive care to physical therapy after injury to public health education.

(3) Finance projects in Non-Metropolitan areas.

The Project location in Batavia, NY is a rural community.

(4) Highly Distressed Area

The site is located in the City of Batavia's census tract #36037950800 corresponding to the street address 209 E Main St, Batavia, NY 14020. It qualifies as a Low-Income Community and an area of severe distress, because the census tract meets the following criteria:

- a) It has a Poverty Rate of 29.2%, which is higher than the 20% minimum required threshold;
- b) It has a family median income of 72.12%, which is lower than the minimum threshold of 80%; and

The census tract meets the higher distress criteria, because it is located in a Non-Metropolitan County.

The census tract would also meet higher distress criteria because it meets at least two secondary characteristics, including:

- (a) a Poverty Rate of 29.2%, which is higher than the 25% minimum required threshold for a secondary characteristic; and
- (b) it is located in a city, state, or federal designated zone or program targeted towards particularly economically distressed communities since it is in the City's DRI boundary area and has received DRI funding.

II. Project Cost and Financing Sources

The table below outlines approximate amounts of the NMTC Allocation targeted to the Borrower and the expected Project uses and financing sources, which will be finalized, reviewed and approved by ESNMC prior to closing. This financing is being coordinated with U.S. Bancorp Community Development Corp ("USB CDC"), as an NMTC investor, Enterprise CDE ("Enterprise"), which is providing \$10.5 million in NMTC allocation alongside ESNMC's \$9.5 million NMTC allocation, Five Star Bank and Coastal Enterprises, Inc. ("CEI"), both of which are providing direct loans to the Borrower and Blue Hub, which is providing a bridge loan for grants, including the DRI award that the Project has received.

Target NMTC Allocation ⁽¹⁾	\$19,500,000	
Target ESNMC NMTC Allocation	\$9,000,000	
Target Enterprise NMTC Allocation	\$10,500,000	
Sources	Amount	%

YMCA Equity	\$1,152,838	4%
UMMC Equity	\$2,576,793	9%
CEI Perm Loan	\$3,500,000	13%
Five Star Perm Loan	\$1,463,966	5%
ESNMC QLICI A	\$5,867,100	21%
ESNMC QLICI B (NMTC Equity)	\$2,772,900	10%
Enterprise QLICI A	\$7,270,350	26%
Enterprise QLICI B	\$2,862,150	10%
Total Sources	\$27,466,097	100%
Uses	Amount	% of Total
YMCA Construction Costs	\$20,395,299	74%
UMMC Medical Facility Costs	\$2,576,793	9%
Soft Costs	\$2,534,405	9%
NMTC Transaction Costs	\$809,640	3%
NMTC Reserves	\$1,149,961	4%
Total Budget	\$27,466,098	100%

III. Project Description

A. Borrower

Industry: The Borrower is the GLOW Young Men's Christian Association, Inc. The Borrower will provide community and wellness services, childcare, and other community services to residents of this LIC. UMMC, which will lease its space from the QALICB, will provide primary care medical services to Batavia and neighboring communities.

Borrower History: The current YMCA facility opened in 1977. The YMCA is a cause-driven organization that focuses on youth development, healthy living and social responsibility by giving back and providing support to its neighbors. The current facility offers youth sports programs including taekwondo, youth indoor soccer, club soccer, gymnastics, swim lessons, and swim team. Also offered are wellness programs which include nutritional counseling, pickleball, personal training, water wellness classes, and group fitness classes. As mentioned above, a comprehensive daycare/preschool program is on site.

Market: Located in a Non-Metropolitan LIC in Batavia, NY, which is in the Finger Lakes Region, GLOW YMCA provides wellness and community programming and space to Batavia residents and the surrounding communities in Genesee County. The YMCA aims to create a welcoming and fully accessible space for community gathering that will foster broad

and creative connection among neighbors. The YMCA welcomes all community members, no matter their financial status and provides financial assistance to those in need. There are no other facilities of this kind in Genesee County. UMMC is the main healthcare provider in the area and runs the main hospital; their healthcare services are fragmented across the county with many satellite locations. UMMC is partnering with GLOW to provide a convenient, expanded comprehensive one-stop facility that offers healthcare and wellness services. The new expanded facility will be unlike anything in the area, with the closest facility, which is much smaller, located in Rochester almost 40 miles away.

The Project is located in downtown Batavia, NY, which is the only city in Genesee County. Batavia was awarded the Downtown Revitalization Initiative (“DRI”) designation. The Project received a \$4,075,000 million DRI grant, which is the largest grant awarded to Batavia as part of this program.

ESD Involvement: New York State legislation requires ESD to select and prioritize projects demonstrating certain goals or benefits and approve the Project as an ESD project. In accordance therewith, on January 19, 2023 the ESD board of directors will be requested to separately approve the Project.

Past ESD Support: The Borrower has received a DRI grant award totaling \$4,075,000 for the Project. In addition, the Project has received a \$500,000 Restore NY grant.

B. The Project

Activity As noted above, the Subsidiary CDE will make QLICI loans to the QALICB for the construction of the Healthy Living Campus and to pay for transaction costs and other related uses that will allow the Borrower to increase its community, wellness, and healthcare services in Batavia, NY.

Results: The following are important outcomes that are expected to be achieved:
Estimated Job Creation: The Project is expected to create 30 permanent full-time equivalent (“FTE”) jobs and retain 12 FTE jobs. The Project is also expected to create 72 temporary construction jobs.

Quality Jobs/Benefits Offered to Employees: It is anticipated that 32 of the total FTE permanent jobs created and retained (or 75%) will be paid above the Genesee County living wage of \$16.18/hr. In addition, it is projected that 54 of the total temporary construction jobs (75%) will be paid above living wage, receive benefits, and receive on-the-job training. The following benefits are provided to the YMCA and UMMC employees:

- YMCA: All full-time employees are provided benefits including healthcare, paid time off, and all employees have the ability to participate in a retirement plan.
- UMMC: All employees are provided benefits including healthcare, 401K, and paid time off.

Job Accessibility to the Low-Income Community: The Project is expected to create 24 Accessible permanent FTE jobs (or 57% of total) that are available to people without a college degree or that face other barriers to employment (prior criminal record, veterans, workers with disabilities, non-native English speaking).

To achieve these goals, GLOW agrees to post job openings first with community job banks and/or training centers before offering those jobs to other referral sources; post available positions with social media (e.g. utilize YMCA's childcare page); work with school administrations to post positions and seek substitute teachers or others who might be interested in YMCA positions; rehire former employees who are currently unemployed; utilize the iHire platform; and/or post job openings at Genesee Community College. In addition, 113 of the total temporary construction jobs (75%) will be accessible to people without a four-year college degree or who face other barriers to employment.

UMMC will partner with Isabella Graham Hart School of Practical Nursing, which allows students with a high school diploma or GED to begin a career in nursing; partner with Rochester Regional Career Development Office providing pathways to grow careers from entry level through senior management; host an annual "Medical Camp" for middle school students; partner with local high schools to present healthcare career opportunities, including roles that do not require a college degree; and support the Genesee County Business Education Alliance with the GLOW With Your Hands Healthcare event, which educates high school students in the four county region on all careers in healthcare, including those that do not require a college degree.

Community Goods and Services: The fitness programs and facilities that the YMCA will provide will work in coordination with the UMMC, creating a seamless and accessible continuum of healthcare education and programming. Programs aimed at educating children of all developmental stages about health and wellbeing will have a strong foundation with the preschool and after school programming provided by the YMCA. The facility will provide space for the YMCA Pre-School, which includes the following programs:

- Playgroup: 40 children. Designed to help children develop social and emotional skills
- Nursery School: 39 children. Classes offering exposure to a variety of activities including swimming
- UPK/Pre-K Plus: 50 children. Learning opportunities and social skill development
- In total, 129 children under the age of 5 years old are served through the facility Pre-School
- After School Childcare K-5: 40 children. Social skill development including swimming lessons, instructional gym classes, and cognitive learning activities daily

The new facility will also include a new teaching kitchen offering students and adults classes on good nutrition and food preparation at the YMCA with instruction provided by UMMC.

As part of the Healthy Living Campus, UMMC will bring together disparate services under one roof to improve synergies and convenience for its patients. This will include a full-service primary care office with embedded behavioral health care, cancer screenings, health and wellness programs, a Baby Café to support new mothers, a graduate (physician residency) education program, and a computer lab and classroom space for staff.

It is estimated that the YMCA will serve an estimated 16,000 individuals annually with services provided through the Healthy Living Campus, and UMMC will serve approximately 9,500 individuals, which includes its patients (8,400) plus non-patient participants in free community programs like the Baby Café.

Of the people served by the YMCA, 20% receive some form of financial assistance. Of the people served by UMMC, 68% are Low-Income (i.e.. use Medicaid, Medicare, or are uninsured). In total, the YMCA and UMMC will serve 9,600 Low-Income People ("LIP") or Low-Income Community Residents ("LICR").

Flexible and Below Market Lease

It is anticipated that the Borrower will lease to UMMC for \$1 per year, which is below market. The lease term is also 25 years long, which is longer than typical. This below market rate and flexible terms allow UMMC to focus on patient care and the healthcare services offered to the community.

Minority Contracting: It is estimated that the Project will spend \$324,000 with minority-owned businesses. UMMC will also be spending another \$634,048 with minority contractors for its portion of the interior fitout of its space.

Environmental Impacts: It is anticipated that the Project will incorporate the following energy efficiency designs features:

- Energy efficient electronically commutated exhaust fan motors
- High efficiency condensing boilers with design water temperatures to optimize efficiency
- Total (sensible and latent) energy recovery wheels in rooftop units
- The Natatorium Air Handling Unit (“AHU”) is 80% more efficient than systems that do not use energy recovery; the system rejects heat to the pool water, which in effect, provides “free” heating of pool water when available from the AHU.
- Natatorium AHU utilizes sensible energy recovery (runaround loop)
- Variable speed pumps and fans to reduce energy usage in part load conditions

Catalytic Impact: The facility will serve as an economic catalyst and anchor for downtown Batavia redevelopment. A report by the Genesee County Economic Development Center suggests the project will generate an additional \$63,167,573 of benefit over three years to the Region and State. As an economic engine in downtown Batavia, it will support the city’s DRI efforts, support additional downtown housing, and bring additional visitors to the city who will support additional economic engagement.

Community Support: The Project has significant local, county, and state support. It has strong support from the Genesee County Economic Development Center (“GCEDC”) and many local and regional organizations. Steve Hyde, President and CEO of the GCEDC, said “This Project is the cornerstone of [Batavia’s] downtown redevelopment, probably the most important of them all, as we are actively remaking our downtown.” The Healthy Living Campus is included in Batavia’s Downtown Revitalization Plan, the Batavia Opportunity Study Nomination Plan from 2014, and the 2019-2020 Strategic Plan. It also received a \$4,075,000 grant through the DRI, as mentioned above, as well as a \$500,000 DASNY grant.

Borrower Contact: Rob Walker
Phone: (583) 344-1664

Project Team:	Origination	Jonevan Hornsby
	Project Management	Brendan Healey
	Contractor & Supplier Diversity	Denise Ross
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

Statutory Basis

And Findings:

Section 45D of the Internal Revenue Code, Section 10 (g) and Sections 12 and 16 (2) of the New York State Urban Development Corporation Act of 1968, as amended (the "UDC Act"). As noted below, the NMTC program, enacted in 2000, offers a non-refundable tax credit intended to encourage private capital investment in low-income communities. The Project will comply with all applicable NMTC program requirements. ESD is required to approve the Project (and is scheduled to do so at a meeting to be held on January 19, 2023) and ESNMC will comply with applicable federal tax laws and consummate the transaction. ESNMC is making certain findings as part of its approval of the Project.

IV. NMTC Program Background and ESNMC Role

The NMTC program, enacted in 2000, offers a non-refundable tax credit intended to encourage private capital investment in low-income communities. The U.S. Department of the Treasury's Community Development Financial Institutions Fund (the "CDFI Fund") allocates NMTCs under a competitive application process. Investors who make qualified equity investments ("QEIs") in community development entities ("CDEs") reduce their federal income tax liability by claiming the NMTC.

CDEs, such as ESNMC, the CDE that is controlled by ESD, apply to the CDFI Fund for an allocation of NMTCs. After an award of NMTC allocation, the CDE uses subsidiary CDEs to attract private equity investors who make QEIs in the subsidiary CDEs in order to claim the NMTCs. The subsidiary CDE then makes loans or equity investments in qualified businesses that are located in low-income communities. These loans and/or equity investments are made on better rates and terms than market.

The tax credit value is 39% of the cost of the QEI and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to 5% of the total amount paid for the stock or capital interest in the subsidiary CDE at the time of purchase. For the final four years, the value of the credit is 6% annually. Investors must retain their interest in a QEI throughout the seven-year period.

By federal law, any CDE must be a domestic corporation or partnership that must go through a certification process to obtain its status. Partnerships and limited liability companies ("LLCs") are the preferred subsidiary to structure NMTC projects. ESNMC has created certified subsidiary CDEs as LLCs and has sub-allocated and will sub-allocate its NMTCs to one of these LLCs for each project.

Through the NMTC program, \$71 billion in NMTCs have been awarded to CDEs across the country since inception.

ESNMC received its first allocation of NMTCs in 2009 in the amount of \$30 million. All of this initial allocation was deployed in two NMTC projects. ESNMC received a second allocation in the amount of \$55 million in the 2015-2016 round of the NMTC program. ESNMC deployed all of this allocation in twelve projects including the National Comedy Center, SUNY Broome, Hornell Medical Village, Boys and Girls Club of Schenectady, Currier Plastics, The Chautauqua Center, ALDI (6 stores), 37 Chandler St and Thin Man Brewery. ESNMC received a third allocation in the amount of \$45 million for the 2021 round of the NMTC program (the "Allocation").

V. Overall Structure of NMTC Project Transaction

The Project will be structured as follows: U.S. Bancorp Community Development Corp ("USBCDC") will make an equity investment in the approximate amount of \$6,007,950 (the "NMTC Equity") in a special purpose fund (the "Fund") wholly-owned by USBCDC and formed for the purpose of this transaction. An affiliate of the Borrower, GLOW YMCA Support Corporation, will make an approximate \$13,502,850 leverage loan to the Fund (the "Fund Loan").

The proceeds of the Fund Loan and the NMTC Equity will be combined by the Fund and used to make two QEIs in the aggregate amount of \$19,500,000 in the Subsidiary CDEs. ESNMC will sub-allocate \$9,000,000 of NMTC allocation authority to the Subsidiary CDE and Enterprise Community Partners ("Enterprise") will sub-allocate \$10,500,000 of NMTC allocation authority to the Subsidiary CDE. The Subsidiary CDEs will use the proceeds of the QEIs from the Fund to make loans to the Borrower in an aggregate amount equal to approximately \$19,510,800. ESNMC's Subsidiary CDE will pay a fee to ESNMC in the aggregate amount of \$360,000.

The balance of funding required by the Borrower will come from a combination of sources including Five Star Bank and Coastal Enterprises, Inc ("CEI") construction and permanent debt, Blue Hub bridge loan, and sponsor equity from capital campaign proceeds.

USBCDC will require the Subsidiary CDEs and their managing members, ESNMC and Enterprise, to indemnify USBCDC from the recapture or disallowance of the NMTC caused by acts or omissions of the Subsidiary CDE, so that USBCDC will be made whole (subject to any caps that may be negotiated) in respect to its investment even if the NMTCs are lost or recaptured.

Notwithstanding the foregoing, the structure of the overall transaction and each project is still under review and discussion and may be affected by receipt of additional documentation and further evaluation by the transaction parties.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business enterprises (MWBES) and service-disabled veteran-owned businesses (SDVOBs) in the performance of ESD projects. The Borrower shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)) to achieve MWBE and SDVOB Participation. In addition, ESD's MWBE and SDVOB Participation/Equal Employment

Opportunity Policy will apply to this project plan. Specific goals related to the total value of ESD's funding will be established on a project by project basis.

VII. Environmental Review

The City of Batavia Planning & Development Committee, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 22, 2021. ESD staff on behalf of ESNMC reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VIII. Requested Actions

The Directors are being asked to adopt, subject to the requirements of Section 16(2) of the UDC Act, the herein described General Project Plan ("GPP"), and to make a sub-allocation of up to Nine Million Dollars (\$9,000,000) from the Allocation for the purposes set forth in the GPP. The Directors are also being asked to delegate to one or more authorized officers of ESNMC, acting in its own capacity, or as managing member of the Subsidiary CDE, the authority to determine the terms of the NMTC transaction documents and to execute such NMTC transaction documents on behalf of ESNMC and the Subsidiary CDE in connection with the closing of the NMTC transaction, and to make a Determination of No Significant Effect on the Environment.

IX. Additional Submissions to Directors

Resolutions

New York State Map

EMPIRE STATE NEW MARKET CORPORATION – Batavia (Finger Lakes Region – Genesee County)
– New Markets Tax Credit Sub-Allocation to provide financing in the construction of the Healthy Living Campus, a collaboration between the GLOW YMCA and United Memorial Medical Center
– Authorization to Adopt the Proposed General Project Plan ("GPP"); Sub-Allocate New Markets Tax Credits ("NMTCs") to an Empire State New Market Corporation ("ESNMC") Subsidiary; Close the NMTC Transaction; Make a Determination of No Significant Effect on the Environment; and Take all Related Actions

WHEREAS, Empire State New Market Corporation, a New York corporation (the "Corporation"), has been certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a "qualified community development entity" (a "CDE"), as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations and the related guidance, and the Corporation is expected to enter into an Allocation Agreement (the "Allocation Agreement"), with the CDFI Fund in connection with an allocation of NMTCs under Section 45D of the Code in the amount of \$45,000,000 (the "Allocation");

WHEREAS, the Corporation desires to sub-allocate to ESNMC Subsidiary CDE XI, LLC, a New York limited liability company, or another subsidiary CDE of the Corporation (the "Subsidiary CDE"), up to \$9,000,000 in NMTC authority from the Corporation's Allocation (the "Sub-Allocation") in connection with the proposed investment to GLOW YMCA, Inc. to finance the construction of the Healthy Living Campus, pay for transaction costs and other related uses that will allow the Borrower to increase its community, wellness and healthcare services (the "Project") as described in the GPP;

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the UDC Act, the proposed GPP for the Project submitted to this meeting, together with such changes therein as the President of the Corporation or his designee(s) may deem appropriate, a copy of which GPP, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, the President of the Corporation or his designee(s) be, and each of them hereby is, authorized to cause the Corporation to make to the Subsidiary CDE, the Sub-Allocation for the purposes of making NMTC financing available to the Project described in the GPP, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President of the Corporation or his designee(s) may deem appropriate, and be it further

RESOLVED, that pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the location of the Project; and be it further

RESOLVED, that the President of the Corporation or his designee(s) be, subsequent to the making of the allocation, and each of them hereby is, authorized to cause the Corporation to take such actions and make such modifications to the terms of the Sub-Allocation as he or she may deem necessary or appropriate in the administration of the allocation; and be it further

RESOLVED, that the President or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation acting in its own capacity, or as managing member of the Subsidiary CDE, to negotiate, issue, execute and deliver any and all transaction documents and instruments, including but not limited to, operating agreement(s), loan and security agreements, indemnity agreement(s), fee agreements, asset management agreements, bank accounts, account control agreements, disbursement agreements, and any other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications (collectively, the "Transaction Documents"), and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions, including such modifications to the terms of the transaction as he or she may deem necessary or appropriate and reasonably consistent with the GPP. Any actions previously taken by the Corporation in furtherance of the GPP are hereby ratified and approved.

RESOLVED, that based on the material submitted to the Directors with respect to GLOW YMCA's Healthy Living Campus Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Statewide – Electric Generation Facility Cessation Mitigation Program

REQUEST FOR: Authorization to Make Statutory Payments and to Take Related Actions

I. ESD Directors' Summary

A. Overall Program Description

Pursuant to statute, ESD is authorized to make payments to local taxing jurisdictions over a seven-year period to offset a portion of the reduction in the property tax and/or PILOT payment owed (the "Revenue Loss") that was caused by the closure of an electric generating facility.

B. Closure Histories and Application Timelines

Dunkirk Power, LLC ceased operations on January 1, 2016.

- Chautauqua County has submitted its Year 6 application, which was deemed complete on December 2, 2022.
- The City of Dunkirk has submitted its Year 6 application, which was deemed complete on December 16, 2022.

C. Payment Evaluations

The Program's authorizing statute provides that relief is to be provided upon confirmation that: 1) the electric generating facility in question has ceased operations, and 2) the closure of such electric generating facility has caused a Revenue Loss of at least 20% of the amount owed by such facility. Both requirements have been met with regard to the applications presented here.

D. Requested Board Actions

The Directors are requested to authorize the making of the payments as described in these materials and the taking of related actions.

II. Payment Summary

Project #	Applicant	Facility	Closure Date	Revenue Loss	County	Proposed Payment Amount
AC358	Chautauqua County	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$435,732.52
AB357	City of Dunkirk	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$753,071.41

III. Program Description

A. Background

The Electric Generation Facility Cessation Mitigation Program (the "Program") was established by the New York State Legislature in 2016, directing ESD to make payments, subject to certain eligibility requirements, to local government entities in order to mitigate the loss of real property tax and/or payments in lieu of taxes ("PILOT") owed by certain electric generating facilities that cease operations.¹ ESD administers the Program in cooperation with the New York State Energy Research and Development Authority ("NYSERDA") and in consultation with the Department of Public Service ("DPS"). The President of ESD is responsible for determining the amount of the payment, based on applicable statutory and regulatory provisions that take into consideration the difference between the real property tax liability and/or PILOT owed for the last year of the facility's operation and the facility's current tax liability and/or PILOT owed.

Specifically, financial assistance under the Program is available to a local government entity that has realized at least a 20% Revenue Loss due to the closure of an electric generation facility ("Facility") within its jurisdiction. The closure must have occurred on or after June 25, 2015, as confirmed in writing by DPS. The Revenue Loss must be confirmed in writing by the NYS Department of Taxation and Finance ("DTF") and/or the local Industrial Development Authority ("IDA"). Financial assistance may be provided for up to seven years covering up to 80% of the Revenue Loss in the first year and decreasing by 10% in subsequent years. To date, New York State budgets have authorized a combined total of \$140,000,000 for the Program.

B. The Program

Consistent with the statute, ESD established a first-come, first-served process for the evaluation of applications. To date, ESD has approved payments to 13 local government entities for a total of \$56,865,378.51. Approval of the payments requested herein will bring the total Program disbursements to \$58,054,182.44.

¹ 2016 N.Y. Sess. Laws Ch. 58 (A. 9008-C), Part BB. The statute defines a "local government entity" as a county, city, town, village, school district, or special district.

This is the sixth of the seven program years for both Chautauqua County and for the City of Dunkirk. DPS has confirmed that the Dunkirk Power LLC electric generating facility closed after June 25, 2015 and the local IDA has confirmed the amount of each applicant's resulting Revenue Loss.

The calculations of payments are attached. The statute provides ESD with discretion to pay up to 30% of an applicant's Revenue Loss for the sixth program year. Given the confirmation of each applicant's Revenue Loss as presented in these applications and the availability of Program funding, a payment of 30% of the Revenue Loss is recommended for both Chautauqua County and for the City of Dunkirk.

IV. Statutory Basis – Local Assistance

The Program initially was authorized in the FY 2016-17 New York State budget. Additional appropriations were authorized in the FY 2017-18, FY 2018-19 and FY 2021-22 State budgets.

V. Environmental Review

ESD staff has determined that the requested authorization to provide payments under the Program does not constitute an action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the Program will not directly create or retain jobs.

VII. Non-Discrimination and Contractor & Supplier Diversity

The Program is established by statute and is not a "state contract," as that term is defined in §310(13) of the New York State Executive Law. Therefore, ESD will not establish Minority and Women-owned Business Enterprise participation goals for the Program. Because Program payments are established by statute to compensate local government entities for revenue losses only, ESD's non-discrimination and Equal Employment Opportunity policies also are not applicable.

VIII. ESD Financial Assistance Subject to Availability of Funds

The provision of ESD financial assistance is contingent upon the availability of funds.

IX. Requested Actions

The Directors are requested to authorize the making of payments as described in these materials and the taking of related actions.

X. Additional Submissions to Directors

Resolutions

Calculations of Payments

January 19, 2023

Statewide – New York State Electric Generation Facility Cessation Mitigation Program -
Authorization to Make Statutory Payments and to Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Electric Generation Facility Cessation Mitigation Program ("the Program") payments identified below, the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized to make the payments as set forth below from the Electric Generation Facility Cessation Mitigation Program, for the purposes and substantially on the terms and conditions set forth in the Materials and the Program guidelines, with such changes as the President and Chief Executive Officer or her designee(s) may deem appropriate, subject to the availability of funds:

Project #	Applicant	Facility	Closure Date	Revenue Loss	County	Proposed Payment Amount
AB358	Chautauqua County	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$435,732.52
AB357	City of Dunkirk	Dunkirk Power LLC	January 1, 2016	95%	Chautauqua	\$753,071.41

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee(s) be, subsequent to the making of payments, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the payments as she or he may deem necessary or appropriate in the administration of the payments; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as she or he may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

**NEW YORK STATE
ELECTRIC GENERATION FACILITY CESSATION MITIGATION PROGRAM**

**CALCULATION OF PAYMENT
FOR YEAR SIX OF ASSISTANCE**

COUNTY OF CHAUTAUQUA – Project No. AB358

TOTAL PILOT PAYMENTS PRIOR TO CESSATION:	\$	1,531,026.73
TOTAL PILOT PAID FOR YEAR SIX AFTER CESSATION:	\$	78,585.00
DIFFERENTIAL		
ACTUAL LOSS:	\$	<u>1,452,441.73</u>
PERCENTAGE OF LOSS:		95%
PAYMENT AT 30% OF LOSS	\$	<u>435,732.52</u>

**NEW YORK STATE
ELECTRIC GENERATION FACILITY CESSATION MITIGATION PROGRAM**

**CALCULATION OF PAYMENT
FOR YEAR SIX OF ASSISTANCE**

CITY OF DUNKIRK – Project No. AB357

TOTAL PILOT PAYMENTS PRIOR TO CESSATION: \$ 2,646,055.57

**TOTAL PILOT PAID FOR
YEAR SIX AFTER CESSATION:** \$ 135,817.55

DIFFERENTIAL

ACTUAL LOSS:	<u>\$ 2,510,238.02</u>
PERCENTAGE OF LOSS:	95%

PAYMENT AT 30% OF LOSS	<u><u>\$ 753,071.41</u></u>
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FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Land Bank Program

REQUEST FOR: Approval of Land Bank Application and Authorization to Take All Related Actions

I. Background

New York State's Land Bank Program (the "Program") was established with enactment of Article 16 of the New York State Not-for-Profit Corporation Law (the "Act"). The Legislative intent of the Act found and declared that New York's communities are important to the social and economic vitality of the state and that whether urban, suburban or rural; many communities are struggling to cope with vacant, abandoned and tax delinquent properties.

In order to combat the problem of vacant and abandoned properties, the Act permits local communities on their own, or together through the execution of intergovernmental agreements, to create not-for-profit corporation land banks to be utilized to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant and/or abandoned, and to use the tools of the Act to eliminate the harms and liabilities caused by such properties.

Pursuant to Section 1603 of the Act, the creation of a land bank is conditioned upon approval of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD").

II. The Program Guidelines

ESD's role in this initiative is to approve applications from municipalities seeking to create land banks in their communities. Pursuant to the Act, the number of land banks state-wide was initially limited to ten, but after several amendments, the number has been expanded to thirty-five. At its November 2011 Board meeting, the Directors approved guidelines for the Program which set forth the application process, eligibility criteria, evaluation criteria, the approval process and other terms and conditions regarding approval of applications (the "Guidelines").

Pursuant to the Guidelines, ESD moved forward with approving applications in multiple rounds from interested municipalities. The first round of applications were received by March 30, 2012 and as a result, five applicants were approved by the ESD Board at its meeting in May of 2012. Second Round applications were received by January 30, 2013 and as a result, three additional applications were approved. Since that time, ESD has opened the application process and has approved a total of twenty-six (26) to date. ESD will continue to accept land bank applications until approval of the maximum number of land banks in New York is achieved.

III. Recommendation

The Guidelines adopted by ESD cite the criteria in which ESD evaluated the applications. In general, the factors can be broken down into three categories: 1) the level of intergovernmental cooperation; 2) the need for a land bank; and 3) the likely success of the land bank as proposed. Based on staff review, it is recommended that the application submitted by Franklin County be approved.

The application has demonstrated a significant problem with vacant properties in the community and a commitment to cooperate with all communities affected in the county. In addition to in-kind support, the County has committed to provide \$500,000 in start-up funding for the land bank. Based on the foregoing, the applicant has made a strong case that the land bank will be successful in its communities.

IV. Environmental Review

Pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law and its implementing regulations (6 NYCRR Part 617), and in connection with the previous approval of land bank applications, the Directors made a Determination of No Significant Effect on the Environment at their meeting of May 17, 2012. This determination addressed all aspects of the proposed action. Therefore, no further environmental review is required in connection with this action.

V. Requested Actions

The Directors are requested to: 1) pursuant to Section 1603 of the Act, approve the creation of a land bank based on the application submitted by Franklin County; and 2) take all related actions.

VI. Recommendation

Based upon the foregoing, I recommend approval of the requested actions.

Attachments

Resolution

January 19, 2023

Land Bank Program – Approval of Land Bank Application and Authorization to Take All
Related Actions

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Franklin County for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that President and Chief Executive Officer or her designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Consultant Services to Conduct a Personal Net Worth Study and Workforce Diversity Study

REQUEST FOR: Authorization to Enter into a Contract Amendment with Mason Tillman Associates, Ltd. for Consultant Services and to Take Related Actions

CONTRACT NEEDS AND JUSTIFICATION

I. Contract Summary

Contractor: Mason Tillman Associates, Ltd. (“MTA” or the “Consultant”)

Scope of Services: For Mason Tillman Associates, Ltd. to design, complete, and provide the Division of Minority and Women’s Business Development (“DMWBD”) with the statistical analysis, methodology, data, and recommendations of the DMWBD’s Personal Net Worth (“PNW”) Certification Cap of \$15,000,000 (FIFTEEN MILLION DOLLARS) on an industry-by-industry basis and to establish recommended Workforce Development Goals for NYS construction projects on a region-by-region basis by March 31, 2023.

MTA is to provide consultancy services for two studies in relation to the PNW requirements and regional workforce diversity goals for Article 15-A of the Executive Law.

Contract Term Extension: Not to extend beyond March 31, 2023

Original Contract Amount: \$149,835

Proposed Amendment: \$40,000

New Proposed Total Contact Amount: \$189, 835

Funding Source(s):

The source of funding for the contract will be through revenue earned from the 2022 Forum event.

II. Background

On July 15, 2019, New York State signed into law the expanded reauthorization of Article 15-A of the Executive Law. The new provisions included increasing the personal net worth certification threshold requirement for NYS MWBE certification to \$15,000, 000 (FIFTEEN MILLION DOLLARS) and providing DMWBD's Executive Director the authority to determine whether additional PNW requirements for MWBE certification on an industry-by-industry basis should be set, as well as creating a Workforce Diversity Program with regional aspirational goals for the employment of minority group members and women on State construction projects.

As per the reauthorized Article 15-A, the DMWBD has been authorized and directed to recommission MTA to provide two studies in relation to the PNW requirements and regional workforce diversity goals for Article 15-A of the Executive Law.

III. Contractor Selection Process

On May 4, 2020, ESD issued an RFP for consultant firms to offer a proposal to conduct two studies: one for Personal Net Worth thresholds and one for Workforce Diversity Goal Setting and Methodology. After scoring the respondents, MTA was awarded the contract, and a Notice to Proceed was issued on September 3, 2020. The contract was not awarded until December 31, 2021, due to negotiations regarding payment milestones. The original contract included a termination date of May 30, 2022. In April 2022, ESD commenced negotiations with MTA to review supplemental datasets and incorporate the analysis of same in the Workforce study. Those negotiations between ESD and MTA were protracted and ended in December 2022.

The PNW and Workforce studies are not yet completed and DMWBD wishes to continue these services with the original vendor that has not completed these tasks due to the need to incorporate the new data. Since this vendor already has the staff, experience, and data to perform this work at a high level, and given the short-term nature of this engagement, staff has eliminated the consideration of any alternatives as both cost-and time-prohibitive.

IV. Scope of Work

MTA is to provide DMWBD with criteria, methodology, and recommendations for determining if the PNW cap should be increased on an industry-by-industry basis, specifying which industries should be increased and by how much, as well as providing criteria, methodology, and recommendations for determining regional aspirational workforce diversity goals on State construction contracts. A contract extension until March 31, 2023, and an increase of the contract value, is required so that MTA may complete its dataset analysis, prepare a draft report of the workforce disparity findings and final reports incorporating ESD's comments to draft report.

V. Contract Term, Price and Funding

The amendment amount will be for additional consultancy service through March 23, 2023, for an amount not to exceed \$40,00.00. Payment will be made no more frequently than monthly in accordance with the completion of tasks as outlined in the MTA's cost budget. The source of funding for the contract will be through revenue earned from the 2022 Forum event.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") and Service-Disabled Veteran-owned Businesses ("SDVOBs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)) to achieve an overall MWBE Participation Goal of 30% and a SDVOB Participation Goal of 3%. The overall goal shall include a Minority Business Enterprise Participation Goal of 15% and a Women Business Enterprise Participation Goal of 15% related to the total value of ESD's funding.

VII. Environmental Review

ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VIII. Requested Action

The Directors are requested to (1) make a determination of responsibility with respect to the proposed contractor; (2) authorize the Corporation to enter into a contract extension amendment with Mason Tillman Associates, Ltd. for an amount not to exceed \$40,000, raising the total amount of the contract to \$189,835.00.

IX. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

X. Attachments

Resolution

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – Procurement of Consultant Services to Conduct a Personal Net Worth
Study and Workforce Diversity Study - Authorization to Enter into a Contract Amendment
with Mason Tillman Associates, Ltd. for Consultant Services and to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Mason Tillman Associates, Ltd. (“MTA”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend and extend the contract with MTA in the amount of FORTY THOUSAND DOLLARS (\$40,000.00) for a total contract amount not to exceed ONE HUNDRED EIGHTY-NINE THOUSAND EIGHT HUNDRED THIRTY-FIVE DOLLARS (\$189,835.00) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or her designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services - Statewide

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services in Connection with the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

CONTRACT NEED AND JUSTIFICATION**I. CONTRACT SUMMARY**

Contractor: Nixon Peabody, LLP (“Nixon” or the “Firm”)

Scope of Services: To provide ESD with legal advice and counsel pertaining to the implementation and administration of State Small Business Credit Initiative (“SSBCI”) equity programs.

Contract Term: Two (2) years, with the option to renew for two additional years.

Contract Amount: \$500,000

Funding Source: State appropriation.

II. BACKGROUND

The State Small Business Credit Initiative (“SSBCI”) is a United States Department of Treasury (“Treasury”) program authorized by the American Rescue Plan Act of 2021. SSBCI is intended to strengthen programs of eligible jurisdictions (states, the District of Columbia, territories, Tribal governments, and eligible municipalities) that support private financing to small businesses. Participating jurisdictions are required to enter into an allocation agreement (the “Allocation Agreement”) with Treasury. The Allocation Agreement establishes the terms and conditions for the participating jurisdiction to receive capital funds under SSBCI. New York State has received an allocation of \$501.6 million. Treasury will distribute the allocations in three equal tranches.

Funding of up to 5% on the first tranche and up to 3% on the second and third tranches is allowed by Treasury to cover administrative costs. SSBCI funding may include, but shall not be limited to, capital access programs, loan loss reserves, collateral, loan guarantees, insurance, equity investments and debt, and technical assistance. On August 18, 2022, the Directors authorized ESD's entering into the Allocation Agreement. Over \$219,000,000 of New York State's allocation is being used to fund the equity programs referenced below, that were submitted as part of ESD's application to Treasury for SSBCI funding. These programs, designed to stimulate economic activity and address some of the financing needs of high growth start-up companies, particularly in regions and for founders where gaps in access to capital exist, include:

- **Emerging and Regional Manager Multi-Fund Program** (a new program under the management of New York Ventures) – This program will support the growth and establishment of diverse and emerging private sector and regional fund managers, utilizing \$102,011,436 in federally allocated SSBCI funds. The selected managers will leverage private dollars alongside the public funds, to invest in New York State start-up companies.
- **Community and Regional Partner Program Fund** (a new program under the management of the New York Division of Science, Technology and Innovation (“NYSTAR”), in partnership with New York Ventures) – Under this program, ESD will provide selected accelerators with funds that will be leveraged with private dollars to invest in New York State start-up companies, utilizing \$52,000,000 in federally allocated SSBCI funds.
- **Pre-Seed and Seed Matching Fund Program** (a new program under the management of New York Ventures) – Under this program, ESD will work with angel groups and pre-seed investors across New York State to continue to support high growth start-up companies at the earliest stages of their growth and development, when capital access can be particularly challenging, utilizing \$30,011,437 in federally allocated SSBCI funds.
- **NYS Innovation Venture Capital Fund (“NYSIVCF”)** (expansion of an existing program under the management of New York Ventures) – Since 2015, ESD has managed the NYSIVCF, which is an investment program with more than 40 portfolio companies, 65% of whom are founded or led by women and/or minorities. Federally allocated SSBCI funds in the amount of \$35,344,770 will be utilized to further capitalize this direct investment fund program.

On September 15, 2022, the Directors authorized ESD to implement and administer the programs, including but not limited to accepting applications and making investments in eligible entities, and to take related actions. These equity programs are managed by New York Ventures and NYSTAR. Due to the complexity and the volume of related transactions, ESD is in need of the services of outside counsel to provide targeted legal services and strategic guidance to support the implementation and administration of these programs in an appropriately robust and thorough manner.

III. CONTRACTOR SELECTION PROCESS

On March 24, 2022, the Directors approved a pre-qualified list of firms to provide legal services in connection with ESD's investments in commercial enterprises. With respect to the contract at issue, ESD staff interviewed three firms from the pre-qualified list to be considered for retention on a non-exclusive basis, to support needs related to SSBCI equity programs as part of a panel of legal service providers. Nixon was selected based on the firm's knowledge, expertise and response to the pre-qualification solicitation.

While ESD primarily utilizes attorneys located in Nixon's Albany office, Nixon has four additional offices throughout New York State. Nixon has extensive experience representing investors financing pre-seed, seed, and early-stage ventures. Nixon also offers a deep bench of attorneys with business-side venture capital and private equity experience. Moreover, Nixon is well versed in ESD's needs and operational protocols pertaining to Venture-related matters, having served as outside counsel for New York Ventures for several years, dating back to at least 2018.

IV. CONTRACT – TERM/PRICING

The term of the contract will be for two years, with the option to renew for two one-year extensions, at the discretion of the General Counsel. The maximum amount of the contract shall be \$500,000. The Firm has agreed to bill at rates not to exceed the lesser of the Firm's billing rates normally charged to its governmental clients or the following maximum compensation rate schedule as set forth in Section V of the Request for Qualifications for Pre-Qualified Legal Counsel issued on October 8, 2021:

Partner/Of Counsel	\$600.00 per hour
Senior Associate ¹	\$550.00 per hour
Mid-level Associate ²	\$500.00 per hour
Junior Associate ³	\$425.00 per hour
Law Clerk ⁴	\$325.00 per hour
Legal Assistant/Paralegal	\$150.00 per hour

V. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered the Firm's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on a review of

¹ Senior associates have at least four years of experience.

² Mid-level associates have three or four years of experience.

³ Junior associates have passed the bar exam but have less than three years of experience.

⁴ Law clerks are law student interns for first year associates who have yet to pass the bar exam.

Nixon's financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance, ESD staff considers the Firm to be responsible.

VI. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act and implementing regulations promulgated by the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VII. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State-certified minority and women-owned businesses ("MWBEs") and service-disabled veteran-owned businesses ("SDVOB"), respectively, in the performance of ESD contracts. Nixon shall adhere to ESD's Non-Discrimination and Equal Employment Opportunity policies.

VIII. REQUESTED ACTIONS

The Directors are requested to (1) make a determination of responsibility with respect to Nixon; and (2) authorize the retention of Firm for the purposes and substantially on the terms and conditions set forth above.

IX. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

ATTACHMENT
Resolution

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – Procurement of Legal Services – Statewide - Authorization to Enter into
a Contract to Provide Legal Services in Connection with the State Small Business Credit
Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented for this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Nixon Peabody, LLP (“Nixon” or the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Firm for up to \$500,000.00, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the term of the contract with the Firm shall be two years which may be extended for two additional one year options at the discretion of the Corporation’s General Counsel; and be it further

RESOLVED, that the President and Chief Executive Officer and/or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Procurement of Legal Services - Statewide

REQUEST FOR: Authorization to Enter into a Contract to Provide Legal Services in Connection with the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. CONTRACT SUMMARY

Contractor: Reitler, Kailas & Rosenblatt, LLP (“Reitler” or the “Firm”)

Scope of Services: To provide ESD with legal advice and counsel pertaining to the implementation and administration of State Small Business Credit Initiative (“SSBCI”) equity programs.

Contract Term: Two (2) years, with the option to renew for two additional years.

Contract Amount: \$500,000

Funding Source: State appropriation.

II. BACKGROUND

The State Small Business Credit Initiative (“SSBCI”) is a United States Department of Treasury (“Treasury”) program authorized by the American Rescue Plan Act of 2021. SSBCI is intended to strengthen programs of eligible jurisdictions (states, the District of Columbia, territories, Tribal governments, and eligible municipalities) that support private financing to small businesses. Participating jurisdictions are required to enter into an allocation agreement (the “Allocation Agreement”) with Treasury. The Allocation Agreement establishes the terms and conditions for the participating jurisdiction to receive capital funds under SSBCI. New York State has received an allocation of \$501.6 million. Treasury will distribute the allocations in three equal tranches.

Funding of up to 5% on the first tranche and up to 3% on the second and third tranches is allowed by Treasury to cover administrative costs. SSBCI funding may include, but shall not be limited to, capital access programs, loan loss reserves, collateral, loan guarantees, insurance, equity investments and debt, and technical assistance. On August 18, 2022, the Directors authorized ESD's entering into the Allocation Agreement. Over \$219,000,000 of New York State's allocation is being used to fund the equity programs referenced below, that were submitted as part of ESD's application to Treasury for SSBCI funding. These programs, designed to stimulate economic activity and address some of the financing needs of high growth start-up companies, particularly in regions and for founders where gaps in access to capital exist, include:

- **Emerging and Regional Manager Multi-Fund Program** (a new program under the management of New York Ventures) – This program will support the growth and establishment of diverse and emerging private sector and regional fund managers, utilizing \$102,011,436 in federally allocated SSBCI funds. The selected managers will leverage private dollars alongside the public funds, to invest in New York State start-up companies.
- **Community and Regional Partner Program Fund** (a new program under the management of the New York Division of Science, Technology and Innovation (“NYSTAR”), in partnership with New York Ventures) – Under this program, ESD will provide selected accelerators with funds that will be leveraged with private dollars to invest in New York State start-up companies, utilizing \$52,000,000 in federally allocated SSBCI funds.
- **Pre-Seed and Seed Matching Fund Program** (a new program under the management of New York Ventures) – Under this program, ESD will work with angel groups and pre-seed investors across New York State to continue to support high growth start-up companies at the earliest stages of their growth and development, when capital access can be particularly challenging, utilizing \$30,011,437 in federally allocated SSBCI funds.
- **NYS Innovation Venture Capital Fund (“NYSIVCF”)** (expansion of an existing program under the management of New York Ventures) – Since 2015, ESD has managed the NYSIVCF, which is an investment program with more than 40 portfolio companies, 65% of whom are founded or led by women and/or minorities. Federally allocated SSBCI funds in the amount of \$35,344,770 will be utilized to further capitalize this direct investment fund program.

On September 15, 2022, the Directors authorized ESD to implement and administer the programs, including but not limited to accepting applications and making investments in eligible entities, and to take related actions. These equity programs are managed by New York Ventures and NYSTAR. Due to the complexity and the volume of related transactions, ESD is in need of the services of outside counsel to provide targeted legal services and strategic guidance to support the implementation and administration of these programs in an appropriately robust and thorough manner.

III. CONTRACTOR SELECTION PROCESS

On March 24, 2022, the Directors approved a pre-qualified list of firms to provide legal services in connection with ESD's investments in commercial enterprises. With respect to the contract at issue, ESD staff interviewed three firms from the pre-qualified list to be considered for retention on a non-exclusive basis, to support needs related to SSBCI equity programs as part of a panel of legal service providers. Reitler was selected based on the firm's knowledge, expertise and response to the pre-qualification solicitation.

Reitler is headquartered in New York City, but provides legal services throughout New York State. Reitler has served as counsel in more than 2,000 venture capital financings, placing the Firm in the TOP 10 of Pitchbook's U.S. and global rankings for venture capital law firms. Reitler has a documented track record of extensive experience closing high-stakes business deals quickly and efficiently at every stage of an organization's lifespan – from seed funding through a liquidity event, IPO or other exit.

IV. CONTRACT – TERM/PRICING

The term of the contract will be for two years, with the option to renew for two one-year extensions, at the discretion of the General Counsel. The maximum amount of the contract shall be \$500,000. The Firm has agreed to bill at rates not to exceed the lesser of the Firm's billing rates normally charged to its governmental clients or the following maximum compensation rate schedule as set forth in Section V of the Request for Qualifications for Pre-Qualified Legal Counsel issued on October 8, 2021:

Partner/Of Counsel	\$600.00 per hour
Senior Associate ¹	\$550.00 per hour
Mid-level Associate ²	\$500.00 per hour
Junior Associate ³	\$425.00 per hour
Law Clerk ⁴	\$325.00 per hour
Legal Assistant/Paralegal	\$150.00 per hour

V. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered the Firm's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on a review of

¹ Senior associates have at least four years of experience.

² Mid-level associates have three or four years of experience.

³ Junior associates have passed the bar exam but have less than three years of experience.

⁴ Law clerks are law student interns for first year associates who have yet to pass the bar exam.

Reitler's financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance, ESD staff considers the Firm to be responsible.

VI. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act and implementing regulations promulgated by the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VII. NON-DISCRIMINATION AND CONTRACTOR AND SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State-certified minority and women-owned businesses ("MWBs") and service-disabled veteran-owned businesses ("SDVOB"), respectively, in the performance of ESD contracts. Reitler shall adhere to ESD's Non-Discrimination and Equal Employment Opportunity policies.

VIII. REQUESTED ACTIONS

The Directors are requested to (1) make a determination of responsibility with respect to Reitler; and (2) authorize the retention of Firm for the purposes and substantially on the terms and conditions set forth above.

IX. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

ATTACHMENT
Resolution

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Procurement of Legal Services – Statewide - Authorization to Enter into a Contract to Provide Legal Services in Connection with the State Small Business Credit Initiative (SSBCI) Venture and Accelerator Programs; and Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented for this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Reitler, Kailas & Rosenblatt LLP (“Reitler” or the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Firm for up to \$500,000.00, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the term of the contract with the Firm shall be two years which may be extended for two additional one year options at the discretion of the Corporation’s General Counsel; and be it further

RESOLVED, that the President and Chief Executive Officer and/or her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: New York City (Kings County) – Contract Amendment for Real Estate Counsel Retained for the Brooklyn Developmental Center Mixed Use Project

REQUEST FOR: Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Schoeman Updike Kaufman & Gerber LLP for Real Estate Legal Services and Authorization to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. CONTRACT SUMMARY

Counsel: Schoeman Updike Kaufman & Gerber LLP (“Schoeman Updike” or the “Firm”)

Scope of Services: The Firm would continue to serve the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation” or “ESD”) as real estate counsel for the Brooklyn Developmental Center Mixed Use Project (the “Project”).

Contract Term: Current Contract: February 28, 2019 through February 28, 2023

Proposed amendment: 2-year extension (to February 28, 2025), with authorization for ESD’s General Counsel to extend the term for 2 additional years (to February 28, 2027)

Contract Amount: Current Contract: Not to exceed \$500,000

Proposed amendment: Additional amount not to exceed \$250,000

New proposed total Contract amount: Not to exceed \$750,000

Funding Source: Imprest Account fully funded by the designated developer, Vital BDC LLC. and/or its affiliates (“Developer”)

II. BACKGROUND

The Project, located on a 27-acre site the East New York section of Brooklyn, is being sponsored by ESD, in collaboration with New York State Homes and Community Renewal (“HCR”), pursuant to a General Project Plan that ESD’s Directors adopted in May 2021 and affirmed in August 2021. The Project is part of the State’s Vital Brooklyn Initiative and will create a new health-based community with more than 2,400 units of permanently affordable housing. Amenities will include open space, an urban farm, and walkable access to Shirley Chisholm State Park. The Project also will include a new health clinic; retail space providing jobs and services; a community center; a senior center; and light manufacturing that will support community health and wellness.

The Developer for the Project, which ESD selected in November 2018 through a competitive Request for Proposals (“RFP”), is Vital BDC LLC (the “Developer”), consisting of Apex Building Company and/or its affiliates, L+M Development Partners Inc. and/or its affiliates, RiseBoro Community Partnership Inc., and Services for the UnderServed, Inc. The Developer has entered into a Cost Agreement with ESD that established an imprest account to fund all ESD’s out-of-pocket, third-party expenses incurred in connection with the Project, including but not limited to the Firm’s legal services.

ESD acquired the development site from the Dormitory Authority of the State of New York and transferred it to the Developer on December 16, 2021. However, the Project will be developed in six or more phases pursuant to ESD’s General Project Plan and Design Guidelines. Each phase will require additional real estate transactions between ESD and the Developer, including the negotiation, preparation and recording of a restrictive declaration for each new phase and any necessary amendments to existing Project agreements. The Firm has provided real estate legal services to ESD since the Project’s inception and its continuing representation of ESD is essential to ensure that the real estate transactions relevant to the Project will be performed in a timely and appropriate manner. Phases 1A and 1B of the Project have closed and are under construction, but continue to require periodic legal work. Negotiations regarding Phase 2 are anticipated to commence in 2023, with a closing anticipated in late 2024. The final Project phase is estimated to be completed in 2030, with full occupancy by 2031.

III. SCOPE OF WORK

The Firm would continue to provide legal advice and counsel to ESD on real estate and related matters regarding the Project, including, but not limited to:

- Negotiating and drafting real estate transaction agreements and documents;
- Providing advice on zoning, land use, affordable housing, and general real estate issues;
- Reviewing and advising ESD on the General Project Plan and Design Guidelines under the UDC Act; and
- Participating in ESD’s meetings and discussions with other public agencies and the Developer on real estate issues associated with the Project.

IV. FIRM SELECTION PROCESS

In June 2016, ESD issued a RFP for outside counsel to provide legal representation in the following areas: (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8) foreclosure; (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation. A total of 78 firms responded to the original solicitation, and an additional 9 firms responded to a supplemental solicitation. All 87 responses were evaluated and in February 2017, ESD's Directors approved a Pre-Qualified Counsel List. (ESD approved a new Pre-Qualified Counsel List on March 24, 2022, and Schoeman Updike is on the new Pre-Qualified Counsel List for real estate counsel services.) The Firm is a certified Women's Business Enterprise that has been pre-qualified in the areas of real estate and land use, construction, investments, and labor and employment.

To procure outside real estate counsel for this Project, ESD staff ("Staff") contacted and reviewed the qualifications of various firms identified on the Pre-Qualified Counsel List under the real estate law category. Schoeman Updike was identified by Staff as best qualified for this Project based on the Firm's experience with similar projects, including an ESD-sponsored affordable housing project - the Fountain Avenue Land Use Improvement Project - located on the same block as the Project. The retention of Schoeman Updike to provide real estate legal services for the Project was recommended by Staff and approved by ESD's Directors in April 2019.

V. JUSTIFICATION FOR CONTRACT AMENDMENT

The Contract amount must be increased to cover additional and necessary work that was not contemplated in the original scope of work, primarily work associated with the development of the Project in multiple phases over an estimated 10-year period. The Contract term must be extended due to the fact that it was infeasible to finance and construct this large affordable housing Project in a shorter time period, therefore requiring ESD to retain outside counsel for a longer than anticipated time frame. The Firm has provided excellent and timely representation for the Project and will continue to bill at its ESD-approved rates. As stated above, all invoices for the Firm's work on the Project will be paid from the Developer's imprest account.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, Staff has: (a) considered Schoeman Updike's ability to perform the services provided for in the proposed Contract amendment; and (b) examined the list of entities determined to be non-responsible bidders and debarred entities that is maintained by the New York State Office of General Services. Based on the foregoing, Staff considers Schoeman Updike to be responsible.

VII. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization to amend this Contract constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the

implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this procurement. The Firm shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 100% related to the total value of ESD's funding.

The Firm is a Women-Owned Business Enterprise certified by the State of New York and may utilize its certification to satisfy the above requirement.

IX. REQUESTED ACTIONS

The Directors are asked to: (1) make a determination of responsibility with respect to the Firm and (2) authorize ESD to amend the current Contract with the Firm for real estate legal services associated with the Project to provide for (a) an increased Contract amount not to exceed \$750,000, inclusive of all amounts paid pursuant to the current Contract in the amount of \$500,000 and (b) a 2-year extension of the Contract's term (to February 28, 2025), with authorization for ESD's General Counsel to extend the term for 2 additional years (to February 28, 2027).

X. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

XI. ATTACHMENT

Resolutions

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – New York City (Kings County) – Authorization to Increase the Contract
Amount and the Contract Term of the Existing Contract with Schoeman Updike Kaufman
& Gerber LLP for Real Estate Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Schoeman Updike Kaufman & Gerber LLP (the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the current Contract with the Firm for the purposes and services, and substantially on the terms and conditions set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *



FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: New York City (Kings County) – Contract Amendment for Environmental Counsel Retained for the Brooklyn Developmental Center Mixed Use Project

REQUEST FOR: Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Sive, Paget & Riesel, PC for Environmental Legal Services and Authorization to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. CONTRACT SUMMARY

Counsel: Sive, Paget & Riesel, PC (“Sive Paget” or the “Firm”)

Scope of Services: The Firm would continue to serve the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation” or “ESD”) as environmental counsel for the Brooklyn Developmental Center Mixed Use Project (the “Project”).

Contract Term: Current Contract: February 28, 2019 through February 28, 2023

Proposed amendment: 2-year extension (to February 28, 2025), with authorization for ESD’s General Counsel to extend the term for 2 additional years (to February 28, 2027)

Contract Amount: Current Contract: Not to exceed \$500,000

Proposed amendment: Additional amount not to exceed \$250,000

New proposed total Contract amount: Not to exceed \$750,000

Funding Source: Imprest Account fully funded by the designated developer, Vital BDC LLC. and/or its affiliates (“Developer”)

II. BACKGROUND

The Project, located on a 27-acre site the East New York section of Brooklyn, is being sponsored by ESD, in collaboration with New York State Homes and Community Renewal (“HCR”), pursuant to a General Project Plan that ESD’s Directors adopted in May 2021 and affirmed in August 2021. The Project is part of the State’s Vital Brooklyn Initiative and will create a new health-based community with more than 2,400 units of permanently affordable housing. Amenities will include open space, an urban farm, and walkable access to Shirley Chisholm State Park. The Project also will include a new health clinic; retail space providing jobs and services; a community center; a senior center; and light manufacturing that will support community health and wellness.

The Developer for the Project, which ESD selected in November 2018 through a competitive Request for Proposals (“RFP”), is Vital BDC LLC (the “Developer”), consisting of Apex Building Company and/or its affiliates, L+M Development Partners Inc. and/or its affiliates, RiseBoro Community Partnership Inc., and Services for the UnderServed, Inc. The Developer has entered into a Cost Agreement with ESD that established an imprest account to fund all ESD’s out-of-pocket, third-party expenses incurred in connection with the Project, including but not limited to the Firm’s legal services.

ESD acquired the development site from the Dormitory Authority of the State of New York and transferred it to the Developer on December 16, 2021. However, the Project will be developed in six or more phases pursuant to ESD’s General Project Plan and Design Guidelines. Although ESD, as lead agency, prepared a comprehensive Environmental Impact Statement (“EIS”) for the entire Project pursuant to the State Environmental Quality Review Act (“SEQRA”), each phase will require additional environmental reviews, with the participation of ESD’s environmental counsel, to evaluate and address any changed conditions that may have occurred since the EIS was issued. ESD also requires environmental counsel to provide legal advice in connection with ESD’s ongoing monitoring of the Developer’s compliance with environmental performance and mitigation commitments for all Project phases. The Firm has provided environmental legal services to ESD since the Project’s inception and its continuing representation of ESD is essential to ensure that environmental issues relevant to the Project will be addressed in a timely and appropriate manner. Phases 1A and 1B of the Project have closed and are under construction, but continue to require periodic legal work. Negotiations regarding Phase 2 are anticipated to commence in 2023, with a closing anticipated in late 2024. The final Project phase is estimated to be completed in 2030, with full occupancy by 2031.

III. SCOPE OF WORK

The Firm would continue to advise ESD on environmental matters associated with the Project, which include:

- Complying with SEQRA and other environmental laws and regulations applicable to the Project;

- Participating in preparing public hearing and outreach materials;
- Providing legal advice on other environmental issues related to the Project including remediation, mitigation and environmental provisions in Project agreements;
- Reviewing and advising ESD on the Design Guidelines; and
- Participating in ESD's meetings and discussions with other public agencies and the Developer on environmental issues associated with the Project.

IV. FIRM SELECTION PROCESS

In June 2016, ESD issued a RFP for outside counsel to provide legal representation in the following areas: (1) real estate and land use; (2) construction; (3) environmental; (4) condemnation; (5) bankruptcy; (6) taxation; (7) bond financing; (8) foreclosure; (9) employment; (10) transactional direct and indirect investments; and (11) regulatory litigation. A total of 78 firms responded to the original solicitation, and an additional 9 firms responded to a supplemental solicitation. All 87 responses were evaluated and in February 2017, ESD's Directors approved a Pre-Qualified Counsel List. Sive Paget was pre-qualified in the areas of environmental, construction, real estate and land use, and regulatory litigation.

To procure outside environmental counsel for this Project, ESD staff ("Staff") contacted four law firms identified on the Pre-Qualified Counsel List under the environmental law category. Sive Paget was identified by Staff as best qualified for this Project based on the Firm's experience with similar projects, including an ESD-sponsored affordable housing project (the Fountain Avenue Land Use Improvement Project) located on the same block and adjacent to the Project site. The retention of Sive Paget to provide environmental legal services for the Project was recommended by Staff and approved by ESD's Directors in April 2019.

V. JUSTIFICATION FOR CONTRACT AMENDMENT

The Contract amount must be increased to cover additional and necessary work that was not contemplated in the original scope of work, primarily work associated with the development of the Project in multiple phases over an estimated 10-year period. The Contract term must be extended due to the fact that it was infeasible to finance and construct this large affordable housing Project in a shorter time period, therefore requiring ESD to retain outside counsel for a longer than anticipated time frame. The Firm has provided excellent and timely representation for the Project and will continue to bill at its ESD-approved rates. As stated above, all invoices for the Firm's work on the Project will be paid from the Developer's imprest account.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, Staff has: (a) considered Sive Paget's ability to perform the services provided for in the proposed Contract amendment; and (b) examined the list of entities determined to be non-responsible bidders and debarred entities that is maintained by the New York State Office of General Services. Based on the foregoing, Staff considers Sive Paget to be responsible.

VII. ENVIRONMENTAL REVIEW

Staff has determined that the proposed authorization to amend this Contract constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of New York State certified minority and women-owned businesses ("MWBEs") and service-disabled veteran-owned businesses ("SDVOB"), respectively, in the performance of ESD contracts. ESD's Office of Contractor and Supplier Diversity has reviewed the proposed Contract amendment and has determined that there exists no potential for MWBE & SDVOB participation. As such, participation goals will not be established or required for this Contract amendment; however, the Firm shall adhere to ESD's Nondiscrimination and Equal Employment Opportunity policy.

IX. REQUESTED ACTIONS

The Directors are asked to: (1) make a determination of responsibility with respect to the Firm and (2) authorize ESD to amend the current Contract with the Firm for environmental legal services associated with the Project to provide for (a) an increased Contract amount not to exceed \$750,000, inclusive of all amounts paid pursuant to the current Contract in the amount of \$500,000 and (b) a 2-year extension of the Contract's term (to February 28, 2025), with authorization for ESD's General Counsel to extend the term for 2 additional years (to February 28, 2027).

X. RECOMMENDATION

Based on the foregoing, I recommend approval of the requested actions.

XI. ATTACHMENT

Resolutions

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – New York City (Kings County) – Authorization to Increase the Contract Amount and the Contract Term of the Existing Contract with Sive, Paget & Riesel, PC for Environmental Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Sive, Paget & Riesel, PC (the “Firm”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend the current Contract with the Firm for the purposes and services, and substantially on the terms and conditions set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or her designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer and her designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

FOR CONSIDERATION

January 19, 2023

TO: The Directors

FROM: Hope Knight

SUBJECT: Contract for Marketing and Promotion Services of the New York State Dairy Industry Through Cornell University on Behalf of New York Agriculture in the Classroom

REQUEST FOR: Authorization to Enter into a Contract for Marketing and Promotion Services of the New York State Dairy Industry Relating to the Market Order Program and Authorization to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. CONTRACT SUMMARY

Contractor: Cornell University (the "Contractor" or "Cornell") on behalf of New York Agriculture in the Classroom ("NYAIRC")

Scope of Services: Contractor to provide marketing and promotion of the dairy industry within schools to accelerate sales.

Contract Term: January 1, 2023- December 31, 2023

Contract Amount: Not to exceed \$650,000

Funding Source: Funds received through the Dairy Promotion Order

II. BACKGROUND

The Dairy Promotion Order Program (the "Program") was established under the Dairy Promotion Act to support and promote the state dairy industry through the collection of assessments from dairy producers that are used for research, development and promotion of dairy products. In 2016, pursuant to Sections 16-X and 16-Z of the Urban Development Corporation Act, certain responsibilities for administering the Program and entering into contracts to implement it were transferred from the New York State Department of Agriculture and Markets ("NYSDAM") to ESD, with continuing support from NYSDAM. Regulations promulgated in 1 NYCRR 40.13 *et seq.* direct NYSDAM's Commissioner to appoint a 10-member Dairy Promotion Advisory Board (the "Advisory Board"), consisting of individuals recommended by state dairy producers, to provide

advice and assistance in administering the Program. Each year, the Advisory Board reviews proposals for research, development and promotion projects to support the Program and recommends to NYSDAM a vendor for each project, together with a proposed budget and scope of work. Once approved by NYSDAM, ESD may begin the contracting process with the chosen contractor(s).

III. CONTRACTOR SELECTION PROCESS

Established in 1985, NYAITC is a partnership of Cornell University, the NYS Department of Agriculture and Markets, the NYS Education Department, Cornell Cooperative Extension, and the New York Farm Bureau. Their mission is to foster awareness, understanding, and appreciation of how we produce food and fiber, what we eat, and how we live, by helping educators, students, and their communities learn about and engage with agriculture and food systems.

The Advisory Board has reviewed Cornell's/NYAITC's proposal and recommends the funding of the specific activities listed below in Section IV (Scope of Services). NYSDAM has reviewed and concurred with that recommendation and has sent it to ESD for approval.

IV. SCOPE OF SERVICES

The Contractor will focus on increasing the consumption of milk and dairy products by youth. This objective will be achieved by increasing the amount of classroom instruction focused on the dairy industry.

V. CONTRACT TERM, PRICE, AND FUNDING

The contract term is expected to be twelve months for an amount not to exceed \$650,000. The source of funding for the contract will be funds received through the Dairy Promotion Order.

VI. RESPONSIBLE PARTY

Pursuant to State Finance Law Section 163 and the Corporation's policy related thereto, staff has: (a) considered Contractor's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers Contractor to be responsible.

VII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Organization/Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises (MWBs) and Service-Disabled Veteran-owned Businesses (SDVOBs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith

Efforts (pursuant to 5 NYCRR §142.8 and 9 NYCRR § 252.2(m)) to achieve an overall MWBE Participation Goal of 30% and a SDVOB Participation Goal of 6% related to the total value of ESD's funding.

VIII. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required.

IX. REQUESTED ACTIONS

The Directors are requested to (1) make a determination of responsibility with respect to the proposed Contractor; (2) authorize the Corporation to enter into a contract with Cornell University for \$650,000 and (3) take all related actions.

Based on the foregoing, I recommend approval of the requested actions.

ATTACHMENT

Resolutions

January 19, 2023

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a Empire State Development - Contract for Marketing and Promotion Services of the New York State Dairy Industry Through Cornell University on Behalf of New York Agriculture in the Classroom; - Authorization to Enter into a Contract for Marketing and Promotion Services of the New York State Dairy Industry Relating to the Market Order Program and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials") a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Cornell University to be responsible; and be It further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Cornell University for a total contract amount of SIX HUNDRED AND FIFTY THOUSAND DOLLARS (\$650,000) for the purposes and services and substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer, or other officer of the Corporation, or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *